

117TH CONGRESS
2D SESSION

S. 5220

To reauthorize programs of the Small Business Administration, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 8, 2022

Mr. CARDIN introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

A BILL

To reauthorize programs of the Small Business Administration, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Small Business Administration Reauthorization and
6 Modernization Act of 2022”.

7 (b) TABLE OF CONTENTS.—The table of contents for
8 this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.

TITLE I—WOMEN’S BUSINESS CENTERS IMPROVEMENT ACT OF
2022

- Sec. 101. Short title.
- Sec. 102. Amendments to Women’s Business Center Program.
- Sec. 103. Effect on existing grants.
- Sec. 104. Regulations.

TITLE II—SMALL BUSINESS DEVELOPMENT CENTERS IMPROVEMENT ACT OF 2022

- Sec. 201. Short title.
- Sec. 202. Annual report on entrepreneurial development programs.
- Sec. 203. Marketing of services.
- Sec. 204. Data collection working group.
- Sec. 205. Oversight; fees from private partnerships and cosponsorships; negotiation.
- Sec. 206. Equity for small business development centers.
- Sec. 207. Confidentiality requirements.
- Sec. 208. Limitation on award of grants to small business development centers.
- Sec. 209. Authorization of appropriations for formula grants received by States.
- Sec. 210. Requirements relating to matching funds.
- Sec. 211. Duties of the Associate Administrator for Small Business Development Centers.
- Sec. 212. Determination of budgetary effects.

TITLE III—SCORE FOR SMALL BUSINESS ACT OF 2022

- Sec. 301. Short title.
- Sec. 302. SCORE Program provisions and requirements.
- Sec. 303. Authorization of appropriations for the SCORE program.
- Sec. 304. Reporting requirements.
- Sec. 305. Technical and conforming amendments.

TITLE IV—FEDERAL CONTRACTING FAIRNESS ACT OF 2022

- Sec. 401. Short title.
- Sec. 402. Findings.
- Sec. 403. Definitions.
- Sec. 404. Duration of participation; ramp-up period; transition period.
- Sec. 405. Administrative requirements for 8(a) firms.
- Sec. 406. SBA representation on the Federal Acquisition Regulation Council.
- Sec. 407. Office of Small and Disadvantaged Business Utilization; Director.
- Sec. 408. Sole source thresholds.
- Sec. 409. Mentor-protege program.
- Sec. 410. Certification process.
- Sec. 411. Repeal of bonafide office rule.
- Sec. 412. Reports.
- Sec. 413. Authorization of appropriations.

TITLE V—COMMUNITY ADVANTAGE LOAN PROGRAM PERMANENCY ACT OF 2022

- Sec. 501. Short title.
- Sec. 502. Findings.
- Sec. 503. Community Advantage Loan Program.

TITLE VI—STEP IMPROVEMENT ACT OF 2022

- Sec. 601. Short title.

Sec. 602. State Trade Expansion Program.

TITLE VII—VETERANS PROGRAMS

Sec. 701. Veteran Federal procurement entrepreneurship training program.

Sec. 702. Boots to Business Program.

TITLE VIII—SURETY BOND PROGRAM

Sec. 801. Expanding surety bond program.

TITLE IX—SBIC EMERGING MANAGERS PROGRAM

Sec. 901. Broadening investment by the SBIC program.

TITLE X—NEW START ACT OF 2022

Sec. 1001. Short title.

Sec. 1002. Findings.

Sec. 1003. Pilot program.

TITLE XI—UPLIFT ACT OF 2022

Sec. 1101. Short title.

Sec. 1102. Findings.

Sec. 1103. Purposes.

Sec. 1104. Innovation Centers Program.

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) ADMINISTRATION; ADMINISTRATOR.—The
4 terms “Administration” and “Administrator” mean
5 the Small Business Administration and the Adminis-
6 trator thereof, respectively.

7 (2) APPROPRIATE COMMITTEES OF CON-
8 GRESS.—The term “appropriate committees of Con-
9 gress” means—

10 (A) the Committee on Small Business and
11 Entrepreneurship of the Senate; and

12 (B) the Committee on Small Business of
13 the House of Representatives.

1 (3) SMALL BUSINESS CONCERN.—The term
 2 “small business concern” has the meaning given the
 3 term in section 3 of the Small Business Act (15
 4 U.S.C. 632).

5 **TITLE I—WOMEN’S BUSINESS**
 6 **CENTERS IMPROVEMENT ACT**
 7 **OF 2022**

8 **SEC. 101. SHORT TITLE.**

9 This title may be cited as the “Women’s Business
 10 Centers Improvement Act of 2022”.

11 **SEC. 102. AMENDMENTS TO WOMEN’S BUSINESS CENTER**
 12 **PROGRAM.**

13 Section 29 of the Small Business Act (15 U.S.C. 656)
 14 is amended to read as follows:

15 **“SEC. 29. WOMEN’S BUSINESS CENTER PROGRAM.**

16 “(a) DEFINITIONS.—In this section:

17 “(1) ASSISTANT ADMINISTRATOR.—The term
 18 ‘Assistant Administrator’ means the Assistant Ad-
 19 ministrator of the Office of Women’s Business Own-
 20 ership established under subsection (j).

21 “(2) ELIGIBLE ENTITY.—The term ‘eligible en-
 22 tity’ means—

23 “(A) an organization described in section
 24 501(c) of the Internal Revenue Code of 1986

1 and exempt from taxation under section 501(a)
2 of such Code;

3 “(B) a State, regional, or local economic
4 development organization, if the organization
5 certifies that grant funds received under this
6 section will not be commingled with other
7 funds;

8 “(C) an institution of higher education, as
9 defined in section 101 of the Higher Education
10 Act of 1965 (20 U.S.C. 1001), unless the insti-
11 tution is receiving a grant under section 21;

12 “(D) a development, credit, or finance cor-
13 poration chartered by a State, if the corpora-
14 tion certifies that grant funds received under
15 this section will not be commingled with other
16 funds; or

17 “(E) any combination of entities listed in
18 subparagraphs (A) through (D).

19 “(3) PROGRAM.—The term ‘Program’ means
20 the Women’s Business Center Program established
21 under subsection (b).

22 “(4) RELEVANT ORGANIZATIONS.—The term
23 ‘relevant organizations’ means—

24 “(A) organizations that advocate for or
25 work with women entrepreneurs, women’s busi-

1 ness ownership, or women’s business centers;
2 and

3 “(B) other organizations as the Adminis-
4 trator determines appropriate.

5 “(5) RESOURCE PARTNERS.—The term ‘re-
6 source partners’ means small business development
7 centers, chapters of the Service Corps of Retired Ex-
8 ecutives established under section 8(b)(1)(B), and
9 Veteran Business Outreach Centers described in sec-
10 tion 32.

11 “(6) WOMEN’S BUSINESS CENTER.—The term
12 ‘women’s business center’ means the location at
13 which counseling and training on the management,
14 operations (including manufacturing, services, and
15 retail), access to capital, international trade, govern-
16 ment procurement opportunities, and any other mat-
17 ter that is needed to start, maintain, or expand a
18 small business concern owned and controlled by
19 women.

20 “(7) WOMEN’S BUSINESS CENTER ORGANIZA-
21 TION.—The term ‘Women’s Business Center Organi-
22 zation’ means a membership organization formed by
23 women’s business centers to pursue matters of com-
24 mon concern.

25 “(b) AUTHORITY.—

1 “(1) ESTABLISHMENT.—There is established a
2 Women’s Business Center Program under which the
3 Administrator may enter into a cooperative agree-
4 ment with an eligible entity to provide a grant to the
5 eligible entity to operate 1 or more women’s business
6 centers for the benefit of small business concerns
7 owned and controlled by women.

8 “(2) USE OF FUNDS.—A women’s business cen-
9 ter established using funds made available under
10 this section shall be designed to provide entrepre-
11 neurial counseling and training that meets the needs
12 of the small business concerns owned and controlled
13 by women, especially concerns owned and controlled
14 by women who are both socially and economically
15 disadvantaged, as defined in section 8(a), and shall
16 provide—

17 “(A) financial assistance, including coun-
18 seling and training on how to—

19 “(i) apply for and secure business
20 credit and investment capital;

21 “(ii) prepare and present financial
22 statements; and

23 “(iii) manage cash flow and other fi-
24 nancial operations of a small business con-
25 cern;

1 “(B) management assistance, including
 2 counseling and training on how to plan, orga-
 3 nize, staff, direct, and control each major activ-
 4 ity and function of a small business concern;

5 “(C) marketing assistance, including coun-
 6 seling and training on how to—

7 “(i) identify and segment domestic
 8 and international market opportunities;

9 “(ii) prepare and execute marketing
 10 plans;

11 “(iii) develop pricing strategies;

12 “(iv) locate contract opportunities;

13 “(v) negotiate contracts; and

14 “(vi) use various public relations and
 15 advertising techniques; and

16 “(D) other services, as needed, in order to
 17 meet the changing and evolving needs of the
 18 small business community.

19 “(3) TYPES OF GRANTS.—

20 “(A) INITIAL GRANT.—The amount of an
 21 initial grant, which shall be for a 5-year term,
 22 provided under this section to an eligible entity
 23 shall be not more than \$300,000 annually (as
 24 that amount is annually adjusted by the Admin-
 25 istrator to reflect the change in inflation).

1 “(B) CONTINUATION GRANTS.—

2 “(i) IN GENERAL.—The Administrator
3 may award a continuation grant, which
4 shall be for a 5-year term, of not more
5 than \$300,000 annually (as that amount is
6 annually adjusted by the Administrator to
7 reflect the change in inflation) to an eligi-
8 ble entity that received an initial grant
9 under subparagraph (A).

10 “(ii) NO LIMITATION.—There shall be
11 no limitation on the number of continu-
12 ation grants an eligible entity may receive
13 under this section.

14 “(c) APPLICATION.—

15 “(1) INITIAL GRANTS AND CONTINUATION
16 GRANTS.—To receive an initial grant or continuation
17 grant under this section, an eligible entity shall sub-
18 mit an application to the Administrator in such
19 form, in such manner, and containing such informa-
20 tion as the Administrator may require, including—

21 “(A) a certification that the eligible enti-
22 ty—

23 “(i) has designated an executive direc-
24 tor or program manager, who may be com-
25 pensated using grant funds awarded under

1 this section or other sources, to manage
2 each women’s business center for which a
3 grant under subsection (b) is sought; and

4 “(ii) meets accounting and reporting
5 requirements established by the Director of
6 the Office of Management and Budget;

7 “(B) information demonstrating the expe-
8 rience and effectiveness of the eligible entity
9 in—

10 “(i) providing entrepreneurial coun-
11 seling and training described in subsection
12 (b)(2);

13 “(ii) providing training and services to
14 a representative number of women who are
15 both socially and economically disadvan-
16 taged; and

17 “(iii) working with resource partners,
18 offices of the Administration, and other
19 public and private entities engaging in en-
20 trepreneurial and small business develop-
21 ment; and

22 “(C) a 5-year plan that—

23 “(i) includes information relating to
24 the assistance to be provided by each wom-

en’s business center in the area in which
each center is located;

“(ii) describes the ability of the eligi-
ble entity to meet the needs of the market
to be served by each women’s business cen-
ter;

“(iii) describes the ability of the eligi-
ble entity to obtain the matching funds re-
quired under subsection (e); and

“(iv) describes the ability of the eligi-
ble entity to provide entrepreneurial coun-
seling and training described in subsection
(b)(2), including to a representative num-
ber of women who are both socially and
economically disadvantaged.

“(2) RECORD RETENTION.—

“(A) IN GENERAL.—The Administrator
shall maintain a copy of each application sub-
mitted under this subsection for not less than
5 years.

“(B) PAPERWORK REDUCTION.—The Ad-
ministrator shall take steps to reduce, to the
maximum extent practicable, the paperwork
burden associated with carrying out subpara-
graph (A).

1 “(d) SELECTION OF ELIGIBLE ENTITIES.—

2 “(1) IN GENERAL.—In selecting recipients of
3 initial grants under this section, the Administrator
4 shall consider—

5 “(A) the experience of the applicant in pro-
6 viding entrepreneurial counseling and training;

7 “(B) the amount of time needed for the
8 applicant to commence operation of a women’s
9 business center;

10 “(C) the capacity of the applicant to meet
11 the accreditation standards established under
12 subsection (j)(4) in a timely manner and the
13 likelihood that the recipient will become accred-
14 ited;

15 “(D) the ability of the applicant to sustain
16 operations, including the applicant’s ability to
17 obtain matching funds under subsection (e), for
18 a 5-year period;

19 “(E) the proposed location of a women’s
20 business center to be operated by the applicant
21 and the location’s proximity to Veteran Busi-
22 ness Outreach Centers described in section 32
23 and to recipients of grants under section
24 8(b)(1) or 21;

1 “(F) the counsel of a Women’s Business
 2 Center Organization or another relevant organi-
 3 zation on the level of unmet need in the area
 4 where the women’s business center is to be lo-
 5 cated; and

6 “(G) whether the applicant has received
 7 trainings conducted by, utilized services pro-
 8 vided by, or engaged with a Women’s Business
 9 Center Organization or another relevant organi-
 10 zation in the preparation of the application.

11 “(2) SELECTION CRITERIA.—

12 “(A) RULEMAKING.—The Administrator
 13 shall issue regulations to specify the criteria for
 14 review and selection of applicants under this
 15 subsection.

16 “(B) EFFECT OF REGULATIONS AT TIME
 17 OF APPLICATION.—Unless otherwise required
 18 by an Act of Congress or an order of a Federal
 19 court, any application for an opportunity to
 20 award a grant under this section shall be gov-
 21 erned by the regulations issued pursuant to
 22 subparagraph (A) that are in effect at the time
 23 of the public announcement of such opportunity
 24 made by the Administrator pursuant to sub-
 25 section (k)(1).

1 “(C) RULE OF CONSTRUCTION.—Nothing
 2 in this paragraph may be construed as prohib-
 3 iting the Administrator from modifying the reg-
 4 ulations issued pursuant to subparagraph (A)
 5 as the regulations apply to an opportunity to be
 6 awarded a grant under this section that the Ad-
 7 ministrator has not yet publicly announced pur-
 8 suant to subsection (k)(1).

9 “(e) MATCHING REQUIREMENTS.—

10 “(1) IN GENERAL.—Subject to paragraph (5),
 11 upon approval of an application submitted by an eli-
 12 gible entity under subsection (c), the eligible entity
 13 shall agree to obtain contributions from non-Federal
 14 sources—

15 “(A) in the first and second year of the
 16 term of an initial grant, if applicable, 1 non-
 17 Federal dollar for every 2 Federal dollars; and

18 “(B) in each subsequent year of the term
 19 of an initial grant, if applicable, or for the term
 20 of a continuation grant, 1 non-Federal dollar
 21 for each Federal dollar.

22 “(2) FORM OF MATCHING FUNDS.—Not more
 23 than one-half of non-Federal matching funds de-
 24 scribed in paragraph (1) may be in the form of in-

1 kind contributions that are budget line items only,
2 including office equipment and office space.

3 “(3) SOLICITATION.—Notwithstanding any
4 other provision of law, an eligible entity may—

5 “(A) solicit cash and in-kind contributions
6 from private individuals and entities to be used
7 to operate a women’s business center; and

8 “(B) use amounts made available by the
9 Administrator under this section for the cost of
10 solicitation and management of the contribu-
11 tions received, subject to the limitations set by
12 the Administrator.

13 “(4) DISBURSEMENT OF FUNDS.—The Admin-
14 istrator may disburse an amount not greater than
15 25 percent of the total amount of a grant awarded
16 to an eligible entity before the eligible entity obtains
17 the matching funds described in paragraph (1).

18 “(5) FAILURE TO OBTAIN MATCHING FUNDS.—

19 “(A) IN GENERAL.—If an eligible entity
20 fails to obtain the required matching funds de-
21 scribed in paragraph (1), the eligible entity may
22 not be eligible to receive advance disbursements
23 pursuant to paragraph (4) during the remain-
24 der of the term, if applicable, of an initial grant
25 awarded under this section.

“(B) CONTINUATION GRANT.—Before approving an eligible entity for a continuation grant under this section, the Administrator shall make a written determination, including the reasons for the determination, of whether the Administrator believes that the eligible entity will be able to obtain the requisite matching funding under paragraph (1) for the continuation grant.

“(6) WAIVER OF NON-FEDERAL SHARE.—

“(A) IN GENERAL.—Upon request by an eligible entity and in accordance with this paragraph, the Administrator may waive, in whole or in part, the requirement to obtain matching funds under paragraph (1) for a grant awarded under this section for the eligible entity for a 1-year term of the grant.

“(B) CONSIDERATIONS.—In determining whether to issue a waiver under this paragraph, the Administrator shall consider—

“(i) the economic conditions affecting the eligible entity;

“(ii) the demonstrated ability of the eligible entity to raise non-Federal funds; and

1 “(iii) the performance of the eligible
2 entity under the initial grant.

3 “(C) LIMITATION.—The Administrator
4 may not issue a waiver under this paragraph if
5 the Administrator determines that granting the
6 waiver would undermine the credibility of the
7 Program.

8 “(7) EXCESS NON-FEDERAL DOLLARS.—The
9 amount of non-Federal dollars obtained by an eligi-
10 ble entity that is greater than the amount that is re-
11 quired to be obtained by the eligible entity under
12 this subsection shall not be subject to the require-
13 ments of part 200 of title 2, Code of Federal Regu-
14 lations, or any successor thereto, if the amount of
15 non-Federal dollars—

16 “(A) is not used as matching funds for
17 purposes of implementing the Program; and

18 “(B) was not obtained by using funds
19 granted under the Program.

20 “(8) CARRYOVER.—An eligible entity may use
21 excess non-Federal dollars described in paragraph
22 (7) to satisfy the matching funds requirement under
23 paragraph (1) for the subsequent 1-year grant term,
24 if applicable, except that the amounts shall be sub-

1 ject to the requirements of part 200 of title 2, Code
2 of Federal Regulations, or any successor thereto.

3 “(f) OTHER REQUIREMENTS.—

4 “(1) SEPARATION OF FUNDS.—An eligible enti-
5 ty shall—

6 “(A) operate a women’s business center
7 under this section separately from other
8 projects, if any, of the eligible entity; and

9 “(B) separately maintain and account for
10 any grant funds received under this section.

11 “(2) EXAMINATION OF ELIGIBLE ENTITIES.—

12 “(A) REQUIRED SITE VISIT.—Before re-
13 ceiving an initial grant under this section, each
14 applicant shall have a site visit by an employee
15 of the Administration in order to ensure that
16 the applicant has sufficient resources to provide
17 the services for which the grant is being pro-
18 vided.

19 “(B) ANNUAL REVIEW.—An employee of
20 the Administration shall—

21 “(i) conduct an annual programmatic
22 and financial examination of each eligible
23 entity, as described in subsection (g); and

24 “(ii) provide the results of the exam-
25 ination to the eligible entity.

1 “(3) REMEDIATION OF PROBLEMS.—

2 “(A) PLAN OF ACTION.—If an examination
3 of an eligible entity conducted under paragraph
4 (2)(B) identifies any problems, the eligible enti-
5 ty shall, not later than 45 calendar days after
6 receiving a copy of the results of the examina-
7 tion, provide the Assistant Administrator with a
8 plan of action, including specific milestones, for
9 correcting those problems.

10 “(B) PLAN OF ACTION REVIEW BY THE AS-
11 SISTANT ADMINISTRATOR.—Not later than 30
12 days after receipt of the plan of action, the As-
13 sistant Administrator shall review the plan of
14 action submitted under subparagraph (A), and
15 if the Assistant Administrator determines that
16 the plan—

17 “(i) will bring the eligible entity into
18 compliance with all the terms of a coopera-
19 tive agreement described in subsection (b),
20 the Assistant Administrator shall approve
21 the plan; or

22 “(ii) is inadequate to remedy the
23 problems identified in the annual examina-
24 tion to which the plan of action relates, the
25 Assistant Administrator shall set forth the

1 reasons in writing and provide the deter-
2 mination to the eligible entity not later
3 than 15 calendar days after the date of de-
4 termination.

5 “(C) AMENDMENT TO PLAN OF ACTION.—

6 An eligible entity receiving a determination
7 under subparagraph (B)(ii) shall have 30 cal-
8 endar days from the receipt of the determina-
9 tion to amend the plan of action to satisfy the
10 problems identified by the Assistant Adminis-
11 trator and resubmit the plan to the Assistant
12 Administrator.

13 “(D) AMENDED PLAN REVIEW BY THE AS-

14 SISTANT ADMINISTRATOR.—Not later than 15
15 calendar days after receipt of an amended plan
16 of action under subparagraph (C), the Assistant
17 Administrator shall approve or reject the plan
18 and provide the approval or rejection in writing
19 to the eligible entity.

20 “(E) APPEAL OF ASSISTANT ADMINIS-

21 TRATOR DETERMINATION.—

22 “(i) IN GENERAL.—If the Assistant

23 Administrator rejects an amended plan of
24 action under subparagraph (D), the eligible
25 entity shall have the opportunity to appeal

1 the decision to the Administrator, who may
2 delegate the appeal to an appropriate offi-
3 cer of the Administration.

4 “(ii) OPPORTUNITY FOR EXPLA-
5 NATION.—Any appeal described in clause
6 (i) shall provide an opportunity for the eli-
7 gible entity to provide, in writing, an expla-
8 nation of why the amended plan of action
9 of the eligible entity remedies the problems
10 identified in the annual examination con-
11 ducted under paragraph (2)(B).

12 “(iii) NOTICE OF DETERMINATION.—
13 The Administrator shall provide to the eli-
14 gible entity a determination of the appeal,
15 in writing, not later than 15 calendar days
16 after the eligible entity files an appeal
17 under this subparagraph.

18 “(iv) EFFECT OF FAILURE TO ACT.—
19 If the Administrator fails to act on an ap-
20 peal made under this subparagraph within
21 the 15-day period specified under clause
22 (iii), the amended plan of action of the eli-
23 gible entity submitted under subparagraph
24 (C) shall be deemed to be approved.

25 “(4) TERMINATION OF GRANT.—

1 “(A) IN GENERAL.—The Administrator
2 shall terminate a grant to an eligible entity
3 under this section if the eligible entity fails to
4 comply with—

5 “(i) a plan of action approved by the
6 Assistant Administrator under paragraph
7 (3)(B)(i); or

8 “(ii) an amended plan of action ap-
9 proved by the Assistant Administrator
10 under paragraph (3)(D) or approved on
11 appeal under paragraph (3)(E).

12 “(B) APPEAL OF TERMINATION.—An eligi-
13 ble entity shall have the opportunity to chal-
14 lenge the termination of a grant under subpara-
15 graph (A) on the record and after an oppor-
16 tunity for a hearing.

17 “(C) FINAL AGENCY ACTION.—A deter-
18 mination made pursuant to subparagraph (B)
19 shall be considered final agency action for the
20 purposes of chapter 7 of title 5, United States
21 Code.

22 “(5) ENGAGEMENT WITH MAJORITY WOMEN’S
23 BUSINESS CENTER ORGANIZATION, WOMEN’S BUSI-
24 NESS CENTERS, AND OTHER RELEVANT ORGANIZA-
25 TIONS.—If, on the date of enactment of the Wom-

1 en’s Business Centers Improvement Act of 2022, a
 2 majority of women’s business centers that are oper-
 3 ating pursuant to agreements with the Administra-
 4 tion are members of an individual Women’s Business
 5 Center Organization, the Administrator shall—

6 “(A) recognize the existence and activities
 7 of the Organization; and

8 “(B) consult with the Organization, and to
 9 the extent practicable, women’s business centers
 10 and other relevant organizations, on the devel-
 11 opment of documents with respect to—

12 “(i) announcing the annual scope of
 13 activities pursuant to this section;

14 “(ii) requesting proposals to deliver
 15 assistance as provided in this section; and

16 “(iii) the governance, general oper-
 17 ations, and administration of the Program,
 18 including general best practices in the op-
 19 eration of the Program and the develop-
 20 ment of regulations and financial examina-
 21 tions under that Program.

22 “(6) ENFORCEMENT.—

23 “(A) GRANTS.—The Assistant Adminis-
 24 trator shall develop policies and procedures to
 25 minimize the possibility of awarding a grant to

1 an eligible entity that will operate a women’s
 2 business center that likely will not remain in
 3 compliance with program and financial require-
 4 ments.

5 “(B) INDIVIDUAL COOPERATIVE AGREE-
 6 MENTS.—The Assistant Administrator shall en-
 7 force the terms of any individual cooperative
 8 agreement described in paragraph (5)(B)(iii).

9 “(g) PROGRAM EXAMINATION.—

10 “(1) IN GENERAL.—The Administration shall—

11 “(A) develop and implement an annual
 12 programmatic and financial examination of
 13 each eligible entity receiving a grant under this
 14 section, under which each eligible entity shall
 15 provide to the Administration—

16 “(i) an itemized cost breakdown of ac-
 17 tual expenditures for costs incurred during
 18 the preceding year; and

19 “(ii) documentation regarding the
 20 amount of matching assistance from non-
 21 Federal sources obtained and expended by
 22 the eligible entity during the preceding
 23 year in order to meet the requirements of
 24 subsection (e) and, with respect to any in-
 25 kind contributions described in subsection

1 (e)(2) that were used to satisfy the re-
 2 quirements of subsection (e), verification of
 3 the existence and valuation of those con-
 4 tributions; and

5 “(B) analyze the results of each examina-
 6 tion and, based on that analysis, make a deter-
 7 mination regarding the programmatic and fi-
 8 nancial viability of each women’s business cen-
 9 ter operated by the eligible entity.

10 “(2) CONDITIONS FOR CONTINUED FUNDING.—

11 In determining whether to award a continuation
 12 grant to an eligible entity, the Administrator shall—

13 “(A) consider the results of the most re-
 14 cent examination of the eligible entity under
 15 paragraph (1);

16 “(B) determine if—

17 “(i) the eligible entity has failed to
 18 provide, or provided inadequate, informa-
 19 tion under paragraph (1)(A); or

20 “(ii) the eligible entity has failed to
 21 provide any information required to be pro-
 22 vided by a women’s business center for
 23 purposes of the management report under
 24 subsection (l)(1), or the information pro-
 25 vided by the center is inadequate; and

1 “(C) consider the accreditation status as
2 described in subsection (j)(4).

3 “(h) CONTRACT AUTHORITY.—

4 “(1) ELIGIBLE ENTITY.—An eligible entity that
5 receives a grant under this section may enter into a
6 contract with a Federal department or agency to
7 provide specific assistance to small business concerns
8 owned and controlled by women and other under-
9 served small business concerns, if performance of
10 that contract does not hinder the ability of the eligi-
11 ble entity to carry out the terms of a grant received
12 under this section.

13 “(2) ADMINISTRATOR.—

14 “(A) IN GENERAL.—The authority of the
15 Administrator to enter into contracts shall be in
16 effect for each fiscal year only to the extent and
17 in the amounts as are provided in advance in
18 appropriations Acts.

19 “(B) ADVERSE CONTRACT ACTION.—After
20 the Administrator has entered into a contract,
21 either as a grant or a cooperative agreement,
22 with any applicant under this section, the Ad-
23 ministrator shall not suspend, terminate, or fail
24 to renew or extend the contract unless the Ad-
25 ministrator provides the applicant with written

1 notification setting forth the reasons therefore
2 and affords the applicant an opportunity for a
3 hearing, appeal, or other administrative pro-
4 ceeding under chapter 5 of title 5, United
5 States Code.

6 “(i) PRIVACY REQUIREMENTS.—

7 “(1) IN GENERAL.—A women’s business center
8 may not disclose the name, address, email address,
9 or telephone number of any individual or small busi-
10 ness concern receiving assistance under this section
11 without the consent of that individual or small busi-
12 ness concern, unless—

13 “(A) the Administrator orders the disclo-
14 sure after the Administrator is ordered to make
15 a disclosure by a court in any civil or criminal
16 enforcement action initiated by a Federal or
17 State agency; or

18 “(B) the Administrator considers a disclo-
19 sure to be necessary for the purpose of con-
20 ducting a financial audit of a women’s business
21 center, except that the disclosure shall be lim-
22 ited to the information necessary for the audit.

23 “(2) ADMINISTRATION USE OF INFORMATION.—

24 This subsection shall not—

1 “(A) restrict the access of the Administra-
2 tion to women’s business center data; or

3 “(B) prevent the Administration from
4 using information about individuals who use
5 women’s business centers to conduct surveys of
6 those individuals.

7 “(3) REGULATIONS.—The Administrator shall
8 issue regulations to establish standards for disclo-
9 sures for purposes of a financial audit described in
10 paragraph (1)(B).

11 “(j) OFFICE OF WOMEN’S BUSINESS OWNERSHIP.—

12 “(1) ESTABLISHMENT.—There is established
13 within the Administration an Office of Women’s
14 Business Ownership, which shall be—

15 “(A) responsible for the administration of
16 the Administration’s programs for the develop-
17 ment of women’s business enterprises, as de-
18 fined in section 408 of the Women’s Business
19 Ownership Act of 1988 (15 U.S.C. 7108); and

20 “(B) administered by an Assistant Admin-
21 istrator, who shall be appointed by the Adminis-
22 trator.

23 “(2) ASSISTANT ADMINISTRATOR OF THE OF-
24 FICE OF WOMEN’S BUSINESS OWNERSHIP.—

1 “(A) QUALIFICATION.—The position of As-
2 sistant Administrator of the Office of Women’s
3 Business Ownership shall be—

4 “(i) a Senior Executive Service posi-
5 tion under section 3132(a)(2) of title 5,
6 United States Code; and

7 “(ii) a noncareer appointee, as defined
8 in section 3132(a)(7) of that title.

9 “(B) DUTIES.—The Assistant Adminis-
10 trator shall administer the programs and serv-
11 ices of the Office of Women’s Business Owner-
12 ship and perform the following functions:

13 “(i) Recommend the annual adminis-
14 trative and program budgets of the Office
15 of Women’s Business Ownership and eligi-
16 ble entities receiving a grant under the
17 Program.

18 “(ii) Review the annual budgets sub-
19 mitted by each eligible entity receiving a
20 grant under the Program.

21 “(iii) Collaborate with other Federal
22 departments and agencies, State and local
23 governments, nonprofit organizations, and
24 for-profit organizations to maximize utili-
25 zation of taxpayer dollars and reduce or

1 eliminate any duplication among the pro-
2 grams overseen by the Office of Women's
3 Business Ownership and those of other en-
4 tities that provide similar services to
5 women entrepreneurs.

6 “(iv) Maintain a clearinghouse to pro-
7 vide for the dissemination and exchange of
8 information between women's business cen-
9 ters.

10 “(v) Serve as the vice chairperson of
11 the Interagency Committee on Women's
12 Business Enterprise and as the liaison for
13 the National Women's Business Council.

14 “(3) MISSION.—The mission of the Office of
15 Women's Business Ownership shall be to assist
16 women entrepreneurs to start, grow, and compete in
17 global markets by providing quality support with ac-
18 cess to capital, access to markets, job creation,
19 growth, and counseling by—

20 “(A) fostering participation of women en-
21 trepreneurs in the economy by overseeing a net-
22 work of women's business centers throughout
23 the United States;

24 “(B) creating public-private partnerships
25 to support women entrepreneurs and conduct

1 outreach and education to small business con-
2 cerns owned and controlled by women; and

3 “(C) working with other programs of the
4 Administration to—

5 “(i) ensure women are well-rep-
6 resented in those programs and being
7 served by those programs; and

8 “(ii) identify gaps where participation
9 by women in those programs could be in-
10 creased.

11 “(4) ACCREDITATION PROGRAM.—

12 “(A) ESTABLISHMENT.—Not later than
13 270 days after the date of enactment of the
14 Women’s Business Centers Improvement Act of
15 2022, the Administrator shall publish standards
16 for a program to accredit eligible entities that
17 receive a grant under this section.

18 “(B) PUBLIC COMMENT; TRANSITION.—
19 Before publishing the standards under subpara-
20 graph (A), the Administrator—

21 “(i) shall provide a period of not less
22 than 60 days for public comment on the
23 standards; and

1 “(ii) may not terminate a grant under
2 this section absent evidence of fraud or
3 other criminal misconduct by the recipient.

4 “(C) CONTRACTING AUTHORITY.—The Ad-
5 ministrator may provide financial support, by
6 contract or otherwise, to a Women’s Business
7 Center Organization to provide assistance in es-
8 tablishing the standards required under sub-
9 paragraph (A) or for carrying out an accredita-
10 tion program pursuant to those standards.

11 “(5) CONTINUATION GRANT CONSIDER-
12 ATIONS.—

13 “(A) IN GENERAL.—In determining wheth-
14 er to award a continuation grant under this sec-
15 tion, the Administrator shall consider the re-
16 sults of the annual programmatic and financial
17 examination conducted under subsection (g)
18 and the accreditation program under paragraph
19 (4).

20 “(B) ACCREDITATION REQUIREMENT.—On
21 and after the date that is 2 years after the date
22 of enactment of the Women’s Business Centers
23 Improvement Act of 2022, the Administration
24 may not award a continuation grant under this
25 section unless the applicable eligible entity has

1 been approved under the accreditation program
 2 conducted pursuant to paragraph (4), except
 3 that the Assistant Administrator for the Office
 4 of Women’s Business Ownership may waive the
 5 accreditation requirement, in the discretion of
 6 the Assistant Administrator, upon a showing
 7 that the eligible entity is making a good faith
 8 effort to obtain accreditation.

9 “(6) ANNUAL CONFERENCE.—

10 “(A) IN GENERAL.—Each women’s busi-
 11 ness center shall participate in annual profes-
 12 sional development at an annual conference fa-
 13 cilitated by the Administrator.

14 “(B) COLLABORATION.—The Adminis-
 15 trator shall collaborate with 1 or more Women’s
 16 Business Center Organizations, women’s busi-
 17 ness centers, or other relevant organizations in
 18 carrying out the responsibilities of the Adminis-
 19 trator under subparagraph (A).

20 “(k) NOTIFICATION REQUIREMENTS UNDER THE
 21 PROGRAM.—The Administrator shall provide the fol-
 22 lowing:

23 “(1) A public announcement of any opportunity
 24 to be awarded grants under this section, to include

1 the selection criteria under subsection (d) and any
2 applicable regulations.

3 “(2) To any applicant for a grant under this
4 section that failed to obtain a grant, an opportunity
5 to debrief with the Administrator to review the rea-
6 sons for the failure of the applicant.

7 “(3) To an eligible entity that receives an initial
8 grant under this section, if a site visit or review of
9 the eligible entity is carried out by an officer or em-
10 ployee of the Administration (other than the Inspec-
11 tor General), a copy of the site visit report or eval-
12 uation, as applicable, not later than 30 calendar
13 days after the completion of the visit or evaluation.

14 “(I) ANNUAL MANAGEMENT REPORT.—

15 “(1) IN GENERAL.—The Administrator shall
16 prepare and submit to the Committee on Small
17 Business and Entrepreneurship of the Senate and
18 the Committee on Small Business of the House of
19 Representatives an annual report on the effective-
20 ness of women’s business centers operated through
21 a grant awarded under this section.

22 “(2) INFORMATION FOR REPORT.—Each wom-
23 en’s business center shall, annually and upon re-
24 quest, provide the Administrator with sufficient in-
25 formation to complete the report required under

1 paragraph (1), including the information described
2 in paragraph (3).

3 “(3) CONTENTS.—Each report submitted under
4 paragraph (1) shall summarize—

5 “(A) information concerning, with respect
6 to each women’s business center established
7 pursuant to a grant awarded under this section,
8 the most recent analysis of the annual pro-
9 grammatic and financial examination of the ap-
10 plicable eligible entity, as required under sub-
11 section (g)(1)(B), and the subsequent deter-
12 mination made by the Administration under
13 that subsection;

14 “(B) the total number of individuals and
15 the number of unique individuals counseled or
16 trained through the Program;

17 “(C) the total number of hours of coun-
18 seling and training services provided through
19 the Program;

20 “(D) to the extent practicable, the demo-
21 graphics of Program participants to include the
22 gender, race, ethnicity, and age of each partici-
23 pant;

24 “(E) the number of Program participants
25 who are veterans;

1 “(F) the number of new businesses started
2 by participants in the Program;

3 “(G) to the extent practicable, the number
4 of jobs supported, created, or retained with as-
5 sistance from women’s business centers;

6 “(H) the total amount of capital secured
7 by participants in the Program, including
8 through loans and equity investment of the Ad-
9 ministration;

10 “(I) the number of participants in the Pro-
11 gram receiving financial assistance, including
12 the type and dollar amount, under a loan pro-
13 gram of the Administration;

14 “(J) an estimate of gross receipts, includ-
15 ing to the extent practicable a description of
16 any change in revenue of small business con-
17 cerns assisted through the Program;

18 “(K) the number of referrals of individuals
19 to other resources and programs of the Admin-
20 istration;

21 “(L) the results of satisfaction surveys of
22 participants, including a summary of any com-
23 ments received from those participants; and

1 “(M) any recommendations by the Admin-
 2 istrator to improve the delivery of services by
 3 women’s business centers.

4 “(m) AUTHORIZATION OF APPROPRIATIONS.—

5 “(1) IN GENERAL.—There are authorized to be
 6 appropriated to the Administration to carry out this
 7 section, to remain available until expended,
 8 \$31,500,000 for each of fiscal years 2023 through
 9 2026.

10 “(2) USE OF AMOUNTS.—

11 “(A) IN GENERAL.—Except as provided in
 12 subparagraph (B), amounts made available
 13 under this subsection for fiscal year 2023, and
 14 each fiscal year thereafter, may only be used for
 15 grant awards and may not be used for costs in-
 16 curred by the Administration in connection with
 17 the management and administration of the pro-
 18 gram under this section.

19 “(B) EXCEPTIONS.—Of the amount made
 20 available under this subsection for a fiscal year,
 21 for the fiscal year beginning after the date of
 22 enactment of the Women’s Business Centers
 23 Improvement Act of 2022 and each fiscal year
 24 thereafter through fiscal year 2026, 2.6 percent
 25 shall be available for costs incurred by the Ad-

1 ministration in connection with the manage-
 2 ment and administration of the program under
 3 this section.

4 “(C) ACCREDITATION AND ANNUAL CON-
 5 FERENCE.—Of the amounts made available in
 6 any fiscal year to carry out this section, not
 7 more than \$250,000 may be used by the Ad-
 8 ministration to pay for expenses related to car-
 9 rying out paragraphs (4) and (6) of subsection
 10 (j).

11 “(3) EXPEDITED ACQUISITION.—Notwith-
 12 standing any other provision of law, the Adminis-
 13 trator may use expedited acquisition methods as the
 14 Administrator determines to be appropriate to carry
 15 out this section, except that the Administrator shall
 16 ensure that all small business concerns are provided
 17 a reasonable opportunity to submit proposals.”.

18 **SEC. 103. EFFECT ON EXISTING GRANTS.**

19 (a) TERMS AND CONDITIONS.—A nonprofit organiza-
 20 tion receiving a grant under section 29(m) of the Small
 21 Business Act (15 U.S.C. 656(m)), as in effect on the day
 22 before the date of enactment of this Act, shall continue
 23 to receive the grant under the terms and conditions in ef-
 24 fect for the grant on the day before the date of enactment
 25 of this Act, except that the nonprofit organization may

1 not apply for a continuation of the grant under section
 2 29(m)(5) of the Small Business Act (15 U.S.C.
 3 656(m)(5)), as in effect on the day before the date of en-
 4 actment of this Act.

5 (b) LENGTH OF CONTINUATION GRANT.—The Ad-
 6 ministrator may award a grant under section 29 of the
 7 Small Business Act (15 U.S.C. 656), as amended by this
 8 title, to a nonprofit organization receiving a grant under
 9 section (m) of such section 29, as in effect on the day
 10 before the date of enactment of this Act, for the period—

11 (1) beginning on the day after the last day of
 12 the grant agreement under such section 29(m); and

13 (2) ending at the end of the third fiscal year be-
 14 ginning after the date of enactment of this Act.

15 **SEC. 104. REGULATIONS.**

16 Not later than 270 days after the date of enactment
 17 of this Act, the Administrator shall issue rules as are nec-
 18 essary to carry out section 29 of the Small Business Act
 19 (15 U.S.C. 656), as amended by this title, and ensure that
 20 a period of public comment for those rules is not less than
 21 60 days.

1 **TITLE II—SMALL BUSINESS DE-**
 2 **VELOPMENT CENTERS IM-**
 3 **PROVEMENT ACT OF 2022**

4 **SEC. 201. SHORT TITLE.**

5 This title may be cited as the “Small Business Devel-
 6 opment Centers Improvement Act of 2022”.

7 **SEC. 202. ANNUAL REPORT ON ENTREPRENEURIAL DEVEL-**
 8 **OPMENT PROGRAMS.**

9 Section 10 of the Small Business Act (15 U.S.C. 639)
 10 is amended by adding at the end the following:

11 “(i) ANNUAL REPORT ON ENTREPRENEURIAL DE-
 12 VELOPMENT PROGRAMS.—

13 “(1) DEFINITIONS.—In this subsection:

14 “(A) COVERED PROGRAM.—The term ‘cov-
 15 ered program’ means a program authorized
 16 under section 7(j), 7(m), 8(a), 8(b)(1), 21, 22,
 17 29, 32, or 34.

18 “(B) ENTREPRENEURIAL DEVELOPMENT
 19 ACTIVITY.—The term ‘entrepreneurial develop-
 20 ment activity’ means an activity related to the
 21 delivery of entrepreneurial development services,
 22 entrepreneurial education, or support for the
 23 development and maintenance of business train-
 24 ing services carried out through a covered pro-
 25 gram.

1 “(2) REPORT REQUIRED.—The Administrator
2 shall include in the comprehensive annual report re-
3 quired under subsection (a) the following data:

4 “(A) A list of all entrepreneurial develop-
5 ment activities undertaken during the fiscal
6 year preceding the date of the report through a
7 covered program, including—

8 “(i) a description and operating de-
9 tails for each such covered program and
10 the activities performed under each such
11 covered program;

12 “(ii) operating circulars, manuals, and
13 standard operating procedures for each
14 such covered program;

15 “(iii) a description of the process used
16 to make awards relating to the provision of
17 entrepreneurial development activities
18 under each such covered program;

19 “(iv) a list of all recipients of awards
20 under each such covered program and the
21 amount of each such award; and

22 “(v) a list of contractors, including
23 the name and location of such contractor,
24 of an award recipient.

1 “(B) The total amount of funding obli-
2 gated for a covered program and the entrepre-
3 neurial development activities conducted under
4 each such covered program for the fiscal year
5 preceding the date of the report.

6 “(C) The names and titles of the individ-
7 uals responsible for carrying out a covered pro-
8 gram.

9 “(D) For entrepreneurial development ac-
10 tivities undertaken during the fiscal year pre-
11 ceding the date of the report through the small
12 business development center program estab-
13 lished under section 21 (in this section referred
14 to as the ‘Program’)—

15 “(i) the total number and number of
16 individuals counseled or trained through
17 the Program;

18 “(ii) the total number of hours of
19 counseling and training services provided
20 through the Program;

21 “(iii) to the extent practicable, the de-
22 mographics of participants in the Program,
23 which shall include the gender, race, eth-
24 nicity, and age of each such participant;

1 “(iv) the number of participants in
2 the Program who are veterans;

3 “(v) the number of new businesses
4 started by participants in the Program;

5 “(vi) to the extent practicable, the
6 number of jobs supported, created, and re-
7 tained with assistance from the Program;

8 “(vii) to the extent practicable, the
9 total amount of capital secured by partici-
10 pants in the Program, including through
11 loans and equity investment from the Ad-
12 ministration;

13 “(viii) the number of participants in
14 the Program receiving financial assistance,
15 including the type and dollar amount,
16 under a loan program of the Administra-
17 tion;

18 “(ix) an estimate of gross receipts, in-
19 cluding, to the extent practicable, a de-
20 scription of any change in revenue, of
21 small business concerns assisted through
22 the Program;

23 “(x) the number of referrals of indi-
24 viduals to other resources and programs of
25 the Administration;

1 “(xi) the results of satisfaction sur-
 2 veys of participants in the Program, in-
 3 cluding a summary of any comments re-
 4 ceived from those participants; and

5 “(xii) any recommendations by the
 6 Administrator to improve the delivery of
 7 services by the Program.”.

8 **SEC. 203. MARKETING OF SERVICES.**

9 Section 21 of the Small Business Act (15 U.S.C. 648)
 10 is amended by adding at the end the following:

11 “(o) NO PROHIBITION OF MARKETING OF SERV-
 12 ICES.—An applicant receiving a grant under this section
 13 may use up to 10 percent of their budget to market and
 14 advertise the services of the applicant to individuals and
 15 small business concerns.”.

16 **SEC. 204. DATA COLLECTION WORKING GROUP.**

17 (a) ESTABLISHMENT OF WORKING GROUP TO IM-
 18 PROVE DATA COLLECTION.—The Administrator shall es-
 19 tablish a group to be known as the “Data Collection Work-
 20 ing Group” consisting of entrepreneurial development
 21 grant recipients, the associations and organizations rep-
 22 resenting such recipients, and officials from the Adminis-
 23 tration, to carry out a study to determine the best methods
 24 for conducting data collection activities and create or re-
 25 vise existing systems dedicated to data collection.

1 (b) REPORT.—Not later than 180 days after the date
 2 of enactment of this Act, the Data Collection Working
 3 Group shall issue a report to the appropriate committees
 4 of Congress containing the findings and determinations
 5 made in carrying out the study required under subsection
 6 (a), including—

7 (1) recommendations for revising existing data
 8 collection practices for the small business develop-
 9 ment center program established under section 21 of
 10 the Small Business Act (15 U.S.C. 648); and

11 (2) a proposed plan for the Administrator to
 12 implement the recommendations described in para-
 13 graph (1).

14 **SEC. 205. OVERSIGHT; FEES FROM PRIVATE PARTNERSHIPS**
 15 **AND COSPONSORSHIPS; NEGOTIATION.**

16 Section 21(a)(3) of the Small Business Act (15
 17 U.S.C. 648(a)(3)) is amended—

18 (1) in the matter preceding subparagraph (A),
 19 by inserting “, including financial oversight,” after
 20 “oversight”;

21 (2) by moving subparagraphs (A) and (B) 2
 22 ems to the right;

23 (3) in subparagraph (C)—

24 (A) by striking “Whereas”;

1 (B) by inserting “Program” after “Cen-
2 ter”; and

3 (C) by striking “National” and inserting
4 “national”; and

5 (4) by adding at the end the following:

6 “(D)(i) A small business development cen-
7 ter that participates in a private partnership or
8 cosponsorship, in which the Administrator or
9 designee of the Administrator also participates,
10 may collect fees or other income in order to
11 hold events related to the private partnership or
12 cosponsorship.

13 “(ii) Nothing in clause (i) shall be con-
14 strued as the Administration endorsing a pri-
15 vate partnership or cosponsorship described in
16 clause (i).

17 “(E) An association formed under sub-
18 paragraph (A) shall, at the request of a small
19 business development center applicant or appli-
20 cants, participate in the negotiation of the coop-
21 erative agreement described in this paragraph
22 between the small business development center
23 applicant or applicants and the Administra-
24 tion.”.

1 **SEC. 206. EQUITY FOR SMALL BUSINESS DEVELOPMENT**
 2 **CENTERS.**

3 Section 21(a)(4)(C)(v) of the Small Business Act (15
 4 U.S.C. 648(a)(4)(C)(v)) is amended to read as follows:

5 “(v) USE OF AMOUNTS.—Of the
 6 amounts made available in any fiscal year
 7 to carry out this section, not more than
 8 \$600,000 may be used by the Administra-
 9 tion to pay expenses enumerated in sub-
 10 paragraphs (B) through (D) of section
 11 20(a)(1).”.

12 **SEC. 207. CONFIDENTIALITY REQUIREMENTS.**

13 Section 21(a)(7)(A) of the Small Business Act (15
 14 U.S.C. 648(a)(7)(A)) is amended, in the matter preceding
 15 clause (i)—

16 (1) by striking “or telephone number” and in-
 17 serting “, telephone number, or email address”; and

18 (2) by inserting “, or the nature or content of
 19 such assistance, to any State, local, or Federal agen-
 20 cy, or to any third party” after “receiving assistance
 21 under this section”.

22 **SEC. 208. LIMITATION ON AWARD OF GRANTS TO SMALL**
 23 **BUSINESS DEVELOPMENT CENTERS.**

24 (a) IN GENERAL.—Section 21 of the Small Business
 25 Act (15 U.S.C. 648), as amended by section 203 of this
 26 title, is amended—

1 (1) in subsection (a)(1)—

2 (A) by striking “any women’s business
3 center operating pursuant to section 29,”;

4 (B) by striking “or a women’s business
5 center operating pursuant to section 29 as a
6 Small Business Development Center”; and

7 (C) by striking “and women’s business
8 centers operating pursuant to section 29”; and

9 (2) by adding at the end the following:

10 “(p) LIMITATION ON AWARD OF GRANTS.—Except
11 for nonprofit institutions of higher education, and notwith-
12 standing any other provision of law, the Administrator
13 may not award a grant or contract to, or enter into a coop-
14 erative agreement with, an entity under this section unless
15 that entity—

16 “(1) received a grant or contract from, or en-
17 tered into a cooperative agreement with, the Admin-
18 istrator under this section before the date of enact-
19 ment of this subsection; and

20 “(2) seeks to renew such a grant, contract, or
21 cooperative agreement after such date.”.

22 (b) RULE OF CONSTRUCTION.—The amendments
23 made by this section may not be construed as prohibiting
24 a women’s business center described in section 29 of the
25 Small Business Act (15 U.S.C. 656) from receiving a

1 subgrant from an entity receiving a grant under section
 2 21 of the Small Business Act (15 U.S.C. 648).

3 **SEC. 209. AUTHORIZATION OF APPROPRIATIONS FOR FOR-**
 4 **MULA GRANTS RECEIVED BY STATES.**

5 Section 21(a)(4)(C) of the Small Business Act (15
 6 U.S.C. 648(a)(4)(C)) is amended—

7 (1) in clause (vii), by striking “subparagraph”
 8 and all that follows through the period at the end
 9 and inserting “subparagraph \$175,000,000 for each
 10 of fiscal years 2023 through 2026.”; and

11 (2) in clause (viii)—

12 (A) by striking “shall reserve not less than
 13 \$1,000,000” and inserting “shall reserve not
 14 more than \$2,000,000”; and

15 (B) by striking “\$100,000” and inserting
 16 “\$200,000”.

17 **SEC. 210. REQUIREMENTS RELATING TO MATCHING FUNDS.**

18 Section 21(a)(4)(A) of the Small Business Act (15
 19 U.S.C. 648(a)(4)(A)) is amended by adding at the end the
 20 following: “Such matching funds shall be evidenced by
 21 good faith assertions from the applicant, and the expendi-
 22 ture of matching funds shall not be made a prerequisite
 23 of the reimbursement of Federal funds, notwithstanding
 24 the final reconciliation payment for the close-out of each
 25 award.”.

1 **SEC. 211. DUTIES OF THE ASSOCIATE ADMINISTRATOR FOR**
2 **SMALL BUSINESS DEVELOPMENT CENTERS.**

3 Section 21(h)(2) of the Small Business Act (15
4 U.S.C. 648(h)(2)) is amended by adding at the end the
5 following:

6 “(C) **MARKETING.**—The Associate Admin-
7 istrator for Small Business Development Cen-
8 ters shall market and advertise the Small Busi-
9 ness Development Center Program and partici-
10 pants in that Program as a resource available
11 to any Federal program providing assistance to
12 small business concerns, including the FAST
13 program established under section 34.”.

14 **SEC. 212. DETERMINATION OF BUDGETARY EFFECTS.**

15 The budgetary effects of this title, for the purpose
16 of complying with the Statutory Pay-As-You-Go Act of
17 2010, shall be determined by reference to the latest state-
18 ment titled “Budgetary Effects of PAYGO Legislation”
19 for this Act, submitted for printing in the Congressional
20 Record by the Chairman of the House Budget Committee,
21 provided that such statement has been submitted prior to
22 the vote on passage.

1 **TITLE III—SCORE FOR SMALL**
 2 **BUSINESS ACT OF 2022**

3 **SEC. 301. SHORT TITLE.**

4 This title may be cited as the “SCORE for Small
 5 Business Act of 2022”.

6 **SEC. 302. SCORE PROGRAM PROVISIONS AND REQUIRE-**
 7 **MENTS.**

8 Section 8 of the Small Business Act (15 U.S.C. 637)
 9 is amended—

10 (1) in subsection (b)(1)(B)—

11 (A) by striking “a Service Corps of Retired
 12 Executives (SCORE)” and inserting “the
 13 SCORE program”; and

14 (B) by striking “SCORE may” and insert-
 15 ing “the SCORE Association may”; and

16 (2) by striking subsection (c) and inserting the
 17 following:

18 “(c) SCORE PROGRAM.—

19 “(1) COOPERATIVE AGREEMENT.—The Admin-
 20 istrator shall enter into a cooperative agreement
 21 with the SCORE Association to carry out the
 22 SCORE program, which shall include the following
 23 requirements:

24 “(A) ADMINISTRATOR DUTIES.—The Ad-
 25 ministrator shall—

1 “(i) every 2 years, conduct a financial
2 examination of the SCORE Association to
3 ensure that any costs paid for with Federal
4 funds are allowable, allocable, and reason-
5 able;

6 “(ii) review and approve contracts en-
7 tered into by the SCORE Association to
8 provide goods or services for the SCORE
9 program of a value greater than an
10 amount determined by the Administrator;

11 “(iii) maintain a system through
12 which the SCORE Association provides
13 documentation relating to those contracts;
14 and

15 “(iv) not later than 30 days after the
16 receipt of a quarterly report on the
17 achievements of the SCORE program sub-
18 mitted by the SCORE Association, rec-
19 oncile differences between that report and
20 the performance results of the SCORE
21 program reported in a management infor-
22 mation system of the Office of Entrepre-
23 neurial Development.

24 “(B) SCORE ASSOCIATION DUTIES.—The
25 SCORE Association shall—

1 “(i) manage nationwide chapters of
2 the SCORE program;

3 “(ii) provide annual training to em-
4 ployees of the SCORE Association on gen-
5 erating and using program income from
6 the SCORE program;

7 “(iii) submit documentation to the
8 Administrator verifying the annual train-
9 ing is completed;

10 “(iv) maintain separation of funds do-
11 nated to the SCORE Association from pro-
12 gram income and funds received pursuant
13 to a cooperative agreement; and

14 “(v) maintain and enforce require-
15 ments for volunteers participating in the
16 SCORE program, including requirements
17 that each volunteer shall—

18 “(I) based on the business expe-
19 rience and knowledge of the volun-
20 teer—

21 “(aa) provide personal coun-
22 seling, mentoring, and coaching
23 on the process of starting, ex-
24 panding, managing, buying, and
25 selling a business at no cost to

1 individuals who own, or aspire to
2 own, small business concerns;
3 and

4 “(bb) facilitate free or low-
5 cost education workshops for in-
6 dividuals who own, or aspire to
7 own, small business concerns;
8 and

9 “(II) as appropriate, use tools,
10 resources, and expertise of other orga-
11 nizations to carry out the SCORE
12 program.

13 “(C) JOINT DUTIES.—The Administrator,
14 in consultation with the SCORE Association,
15 shall ensure that the SCORE program and each
16 chapter of the SCORE program—

17 “(i) develop and implement plans and
18 goals to effectively and efficiently provide
19 services to individuals in rural areas, eco-
20 nomically disadvantaged communities, or
21 other traditionally underserved commu-
22 nities, including plans for virtual, remote,
23 and web-based initiatives, chapter expan-
24 sion, partnerships, and the development of

1 new skills by volunteers participating in
2 the SCORE program; and

3 “(ii) reinforce an inclusive culture by
4 recruiting diverse volunteers for the chap-
5 ters of the SCORE program.

6 “(2) ONLINE COMPONENT.—In addition to pro-
7 viding in-person services, the SCORE Association
8 shall maintain and expand online counseling services
9 including webinars, electronic mentoring platforms,
10 and online toolkits to further support entrepreneurs.

11 “(3) ACCOUNTING.—The SCORE Association
12 shall—

13 “(A) maintain a centralized accounting
14 and financing system for each chapter of the
15 SCORE program;

16 “(B) maintain a uniform policy and proce-
17 dures to manage Federal funds received pursu-
18 ant to a cooperative agreement described in
19 paragraph (1); and

20 “(C) maintain an employee of the SCORE
21 Association to serve as a compliance officer to
22 ensure expenditures of the SCORE program are
23 fully compliant with any law, regulation, or co-
24 operative agreement relating to the SCORE
25 program.

1 “(4) COMPENSATION.—The SCORE Associa-
2 tion shall—

3 “(A) maintain a documented compensation
4 policy that—

5 “(i) specifies the maximum rate of
6 pay allowable for any individual in the
7 SCORE Association;

8 “(ii) specifies the maximum percent of
9 the aggregate salaries of employees of the
10 SCORE Association that may be spent on
11 individual performance awards to employ-
12 ees of the SCORE Association; and

13 “(iii) shall be reviewed annually by
14 the SCORE Association and the Adminis-
15 trator;

16 “(B) prohibit payment of salaries or per-
17 formance awards that exceed the limits set by
18 the SCORE Association compensation policy;
19 and

20 “(C) prohibit members of the Board of Di-
21 rectors of the SCORE Association or any em-
22 ployees of the SCORE Association from simul-
23 taneously serving on the Board of Directors of,
24 or receiving compensation from, the SCORE

1 Foundation without written approval from the
2 Administrator.

3 “(5) WHISTLEBLOWER PROTECTION REQUIRE-
4 MENTS.—The SCORE Association shall—

5 “(A) annually update all manuals or other
6 documents applicable to employees and volun-
7 teers of the SCORE Association or the SCORE
8 program to include requirements relating to re-
9 porting procedures and protections for whistle-
10 blowers; and

11 “(B) conduct an annual training for em-
12 ployees and volunteers of the SCORE Associa-
13 tion or the SCORE program on the require-
14 ments described in subparagraph (A) and en-
15 courage the use of the hotline established by the
16 Office of the Inspector General of the Adminis-
17 tration to submit whistleblower reports.

18 “(6) PUBLISHED MATERIALS.—The SCORE
19 Association shall ensure all published materials in-
20 clude written acknowledgment of Administration
21 support of the SCORE program if those materials
22 are paid for in whole or in part by Federal funds.

23 “(7) PRIVACY REQUIREMENTS.—

24 “(A) IN GENERAL.—Neither the Adminis-
25 trator nor the SCORE Association may disclose

1 the name, email address, address, or telephone
 2 number of any individual or small business con-
 3 cern receiving assistance from the SCORE As-
 4 sociation without the consent of the individual
 5 or small business concern, unless—

6 “(i) the Administrator is ordered to
 7 make a disclosure by a court in any civil
 8 or criminal enforcement action initiated by
 9 a Federal or State agency; or

10 “(ii) the Administrator determines
 11 that a disclosure is necessary for the pur-
 12 pose of conducting a financial audit of the
 13 SCORE program, in which case disclosure
 14 shall be limited to the information nec-
 15 essary for the audit.

16 “(B) ADMINISTRATOR USE OF INFORMA-
 17 TION.—This paragraph shall not—

18 “(i) restrict the access of the Adminis-
 19 trator to SCORE program activity data; or

20 “(ii) prevent the Administrator from
 21 using SCORE program client information
 22 to conduct client surveys.

23 “(C) STANDARDS.—

1 “(i) IN GENERAL.—The Administrator
 2 shall, after opportunity for notice and com-
 3 ment, establish standards for—

4 “(I) disclosures with respect to
 5 financial audits described in subpara-
 6 graph (A)(ii); and

7 “(II) conducting client surveys,
 8 including standards for oversight of
 9 the surveys and for dissemination and
 10 use of client information.

11 “(ii) MAXIMUM PRIVACY PROTEC-
 12 TION.—The standards issued under this
 13 subparagraph shall, to the extent prac-
 14 ticable, provide for the maximum amount
 15 of privacy protection.

16 “(8) ANNUAL REPORT.—Not later than 180
 17 days after the date of enactment of the SCORE for
 18 Small Business Act of 2022 and annually thereafter,
 19 the Administrator shall submit to the Committee on
 20 Small Business and Entrepreneurship of the Senate
 21 and the Committee on Small Business of the House
 22 of Representatives a report on the performance and
 23 effectiveness of the SCORE program, which may be
 24 included as part of another report submitted to

1 those committees by the Administrator, and which
2 shall include—

3 “(A) the total number and the number of
4 unique clients counseled or trained under the
5 SCORE program;

6 “(B) the total number of hours of coun-
7 seling or training provided under the SCORE
8 program;

9 “(C) the total number of local workshops
10 provided under the SCORE program;

11 “(D) the total number of clients attending
12 online and local workshops provided under the
13 SCORE program;

14 “(E) to the extent practicable, the demo-
15 graphics of SCORE program clients and volun-
16 teers, which shall include the gender, race, eth-
17 nicity, and age of each client or volunteer;

18 “(F) the number of SCORE program cli-
19 ents and volunteers who are veterans;

20 “(G) with respect to businesses assisted
21 under the SCORE program, the cost to create
22 a job, the cost to create a business, and the re-
23 turn on investment;

1 “(H) the number of referrals of SCORE
2 program clients to other resources and pro-
3 grams of the Administration;

4 “(I) the results of SCORE program client
5 satisfactory surveys, including a summary of
6 any comments received from those clients;

7 “(J) the number of new businesses started
8 by SCORE program clients;

9 “(K) the percentage of businesses assisted
10 by the SCORE program realizing revenue
11 growth;

12 “(L) to the extent practicable, the number
13 of jobs created with assistance from the
14 SCORE program;

15 “(M) the total cost of the SCORE pro-
16 gram;

17 “(N) any recommendations of the Adminis-
18 trator to improve the SCORE program;

19 “(O) an explanation of how the SCORE
20 program has been integrated with—

21 “(i) small business development cen-
22 ters;

23 “(ii) women’s business centers de-
24 scribed in section 29;

1 “(iii) Veteran Business Outreach Cen-
2 ters described in section 32;

3 “(iv) other offices of the Administra-
4 tion; and

5 “(v) other public and private entities
6 engaging in entrepreneurial and small
7 business development;

8 “(P) the SCORE compensation policy for
9 the relevant fiscal year, including—

10 “(i) a list of any changes to the com-
11 pensation policy since the previous fiscal
12 year; and

13 “(ii) justification if the maximum rate
14 of pay allowable for any individual in the
15 SCORE Association exceeds the maximum
16 rate of pay allowable for an individual in
17 the career Senior Executive Service em-
18 ployed at the Administration;

19 “(Q) the names, positions, and salaries of
20 any employees of the SCORE Association whose
21 salaries exceed the maximum rate of pay allow-
22 able per the SCORE compensation policy;

23 “(R) the percent of the aggregate salaries
24 of employees of the SCORE Association spent
25 on individual performance awards to employees

1 of the SCORE Association, with a justification
 2 if this amount exceeds 10 percent;

3 “(S) the total amount of performance
 4 awards that have been disbursed or will be dis-
 5 bursed after the last day of the fiscal year in
 6 which the awards were earned and a justifica-
 7 tion for any awards that have been disbursed or
 8 will be disbursed outside the fiscal year in
 9 which the awards were earned; and

10 “(T) the names, positions, and salaries of
 11 any members of the Board of Directors of the
 12 SCORE Association or any employees of the
 13 SCORE Association that simultaneously serve
 14 on the Board of Directors of, or receive com-
 15 pensation from, the SCORE Foundation with-
 16 out written approval of the Administrator.”.

17 **SEC. 303. AUTHORIZATION OF APPROPRIATIONS FOR THE**
 18 **SCORE PROGRAM.**

19 Section 20 of the Small Business Act (15 U.S.C. 631
 20 note) is amended by adding at the end the following:

21 “(i) SCORE PROGRAM.—There are authorized to be
 22 appropriated to the Administrator to carry out the
 23 SCORE program such sums as are necessary for the Ad-
 24 ministrator to make grants or enter into cooperative

1 agreements in a total amount that does not exceed
 2 \$18,000,000 in each of fiscal years 2023 and 2024.”.

3 **SEC. 304. REPORTING REQUIREMENTS.**

4 (a) DEFINITIONS.—In this section, the terms
 5 “SCORE Association” and “SCORE program” have the
 6 meanings given those terms in subsection (gg) of section
 7 3 of the Small Business Act (15 U.S.C. 632), as added
 8 by section 305 of this title.

9 (b) STUDY AND REPORT ON THE FUTURE ROLE OF
 10 THE SCORE PROGRAM.—

11 (1) STUDY.—The SCORE Association shall
 12 carry out a study on the future role of the SCORE
 13 program and develop a strategic plan for how the
 14 SCORE program will meet the needs of small busi-
 15 ness concerns during the 5-year period beginning on
 16 the date of enactment of this Act, with specific ob-
 17 jectives for the first, third, and fifth years of the 5-
 18 year period.

19 (2) REPORT.—Not later than 180 days after
 20 the date of enactment of this Act, the SCORE Asso-
 21 ciation shall submit to the appropriate committees of
 22 Congress a report containing—

23 (A) all findings and determinations made
 24 in carrying out the study required under para-
 25 graph (1);

1 (B) the strategic plan developed under
2 paragraph (1); and

3 (C) an explanation of how the SCORE As-
4 sociation plans to achieve the strategic plan, as-
5 suming both stagnant and increased funding
6 levels.

7 (c) ADMINISTRATOR REPORT ON LEASED SPACE.—
8 Not later than 1 year after the date of enactment of this
9 Act, the Administrator shall submit to the appropriate
10 committees of Congress a report containing an assessment
11 of the cost of leased space that is donated to the SCORE
12 Association.

13 (d) ONLINE COMPONENT REPORT.—Not later than
14 3 months after the last day of the first full fiscal year
15 following the date of enactment of this Act, the SCORE
16 Association shall submit to the appropriate committees of
17 Congress a report on the effectiveness of the online coun-
18 seling services required under paragraph (2) of section
19 8(c) of the Small Business Act (15 U.S.C. 637(c)), as
20 added by section 302 of this title, including a description
21 of—

22 (1) how the SCORE Association determines
23 electronic mentoring and webinar needs, develops
24 training for electronic mentoring, establishes

1 webinar criteria curricula, and evaluates webinar
2 and electronic mentoring results;

3 (2) the internal controls that are used and a
4 summary of the topics covered by the webinars; and

5 (3) performance metrics, including the number
6 of small business concerns counseled by, the number
7 of small business concerns created by, the number of
8 jobs created and retained by, and the funding
9 amounts directed towards those online counseling
10 services.

11 **SEC. 305. TECHNICAL AND CONFORMING AMENDMENTS.**

12 (a) SMALL BUSINESS ACT.—The Small Business Act
13 (15 U.S.C. 631 et seq.) is amended—

14 (1) in section 3 (15 U.S.C. 632), by adding at
15 the end the following:

16 “(gg) SCORE PROGRAM DEFINITIONS.—In this Act:

17 “(1) SCORE PROGRAM.—The term ‘SCORE
18 program’ means the Service Corps of Retired Execu-
19 tives program described in section 8(c).

20 “(2) SCORE ASSOCIATION.—The term
21 ‘SCORE Association’ means the Service Corps of
22 Retired Executives Association or any successor or
23 other organization that enters into a cooperative
24 agreement described in section 8(c)(1) with the Ad-
25 ministrator to operate the SCORE program.

1 “(3) SCORE FOUNDATION.—The term
2 ‘SCORE Foundation’ means an organization with a
3 mission to support the SCORE Association and vol-
4 unteers of the SCORE program.”;

5 (2) in section 7 (15 U.S.C. 636)—

6 (A) in subsection (b)(12)—

7 (i) in the paragraph heading, by strik-
8 ing “SCORE” and inserting “SCORE PRO-
9 GRAM”; and

10 (ii) in subparagraph (A), by striking
11 “Service Corps of Retired Executives” and
12 inserting “SCORE program”; and

13 (B) in subsection (m)(3)(A)(i)(VIII), by
14 striking “Service Corps of Retired Executives”
15 and inserting “SCORE program”;

16 (3) in section 20(d)(1)(E) (15 U.S.C. 631
17 note), by striking “Service Corps of Retired Execu-
18 tives program” and inserting “SCORE program”;
19 and

20 (4) in section 22 (15 U.S.C. 649)—

21 (A) in subsection (b)—

22 (i) in paragraph (1), by striking
23 “Service Corps of Retired Executives au-
24 thorized by section (8)(b)(1)” and insert-
25 ing “SCORE program”; and

1 (ii) in paragraph (3), by striking
 2 “Service Corps of Retired Executives” and
 3 inserting “SCORE program”; and
 4 (B) in subsection (c)(12), by striking
 5 “Service Corps of Retired Executives authorized
 6 by section 8(b)(1)” and inserting “SCORE pro-
 7 gram”.

8 (b) OTHER LAWS.—

9 (1) SMALL BUSINESS REAUTHORIZATION ACT
 10 OF 1997.—Section 707 of the Small Business Reau-
 11 thorization Act of 1997 (15 U.S.C. 631 note) is
 12 amended by striking “Service Corps of Retired Ex-
 13 ecutives (SCORE) program” and inserting “SCORE
 14 program described in section 8(c) of the Small Busi-
 15 ness Act (15 U.S.C. 637(c))”.

16 (2) VETERANS ENTREPRENEURSHIP AND
 17 SMALL BUSINESS DEVELOPMENT ACT OF 1999.—Sec-
 18 tion 301 of the Veterans Entrepreneurship and
 19 Small Business Development Act of 1999 (15 U.S.C.
 20 657b note) is amended—

21 (A) in subsection (a)—

22 (i) in the matter preceding paragraph
 23 (1), by striking “Service Core of Retired
 24 Executives (described in section 8(b)(1)(B)
 25 of the Small Business Act (15 U.S.C.

637(b)(1)(B)) and in this section referred
to as ‘SCORE’))” and inserting “SCORE
program described in section 8(c) of the
Small Business Act (15 U.S.C. 637(c)) (in
this section referred to as the ‘SCORE
program’)”;

(ii) in paragraphs (1), (2), and (3), by
striking “SCORE” each place the term ap-
pears and inserting “the SCORE pro-
gram”; and

(iii) in paragraph (2), by striking
“the” before “establishing”; and

(B) in subsection (b), by striking
“SCORE” each place the term appears and in-
serting “the SCORE program”.

(3) MILITARY RESERVIST AND VETERAN SMALL
BUSINESS REAUTHORIZATION AND OPPORTUNITY
ACT OF 2008.—The Military Reservist and Veteran
Small Business Reauthorization and Opportunity
Act of 2008 (15 U.S.C. 636 note) is amended—

(A) in section 3, by striking paragraph (5)
and inserting the following:

“(5) the term ‘SCORE program’ means the
SCORE program described in section 8(c) of the
Small Business Act (15 U.S.C. 637(c));” and

1 (B) in section 201(c)(2)(B)(i), by striking
 2 “Service Corps of Retired Executives” and in-
 3 serting “SCORE program”.

4 (4) CHILDREN’S HEALTH INSURANCE PROGRAM
 5 REAUTHORIZATION ACT OF 2009.—Section 621 of the
 6 Children’s Health Insurance Program Reauthoriza-
 7 tion Act of 2009 (15 U.S.C. 657p) is amended—

8 (A) in subsection (a), by striking para-
 9 graph (4) and inserting the following:

10 “(4) the term ‘SCORE program’ means the
 11 SCORE program described in section 8(c) of the
 12 Small Business Act (15 U.S.C. 637(c));”; and

13 (B) in subsection (b)(4)(A)(iv), by striking
 14 “Service Corps of Retired Executives” and in-
 15 serting “SCORE program”.

16 (5) ENERGY POLICY AND CONSERVATION
 17 ACT.—Section 337(d)(2)(A) of the Energy Policy
 18 and Conservation Act (42 U.S.C. 6307(d)(2)(A)) is
 19 amended by striking “Service Corps of Retired Ex-
 20 ecutives (SCORE)” and inserting “SCORE pro-
 21 gram”.

1 **TITLE IV—FEDERAL CON-**
2 **TRACTING FAIRNESS ACT OF**
3 **2022**

4 **SEC. 401. SHORT TITLE.**

5 This title may be cited as the “Federal Contracting
6 Fairness Act of 2022”.

7 **SEC. 402. FINDINGS.**

8 Congress finds the following:

9 (1) There remain disparities in education, em-
10 ployment, and business history, which includes un-
11 equal contracting opportunities, unequal access to
12 credit or capital, and acquisition of credit or capital
13 under commercially unfavorable circumstances, be-
14 tween individuals defined as socially and economi-
15 cally disadvantaged under the Small Business Act
16 (15 U.S.C. 631 et seq.) and other individuals.

17 (2) The following statistics reiterate the dispari-
18 ties described in paragraph (1):

19 (A) Of the 16,300,000 students enrolled in
20 4-year undergraduate university in the fall of
21 2016, 9,100,000 were White, 3,200,000 were
22 Hispanic, 2,200,000 were Black, and 1,100,000
23 million were Asian. In 2018, 41 percent of all
24 18- to 24-year-olds were enrolled in college.
25 However, 37 percent of Black 18- to 24-year-

1 olds and 26 percent of Hispanic 18- to 24-year-
2 olds were enrolled in college. Additionally, in
3 2019, 29 percent of Black adults had a bach-
4 elor's degree or higher, 21 percent of Latino or
5 Hispanic adults had a bachelor's degree or
6 higher, and 22 percent of Pacific Islander
7 adults had a bachelor's degree or higher, as
8 compared to 45 percent of White adults.

9 (B) In 2020, 24 percent of Black employ-
10 ees and 24 percent of Hispanic employees re-
11 port having been discriminated against at work,
12 compared to 15 percent of White employees re-
13 porting discrimination at work. In the first
14 quarter of 2022, the unemployment rate in the
15 United States among White workers was 3.6
16 percent compared to 6.8 percent among Black
17 workers and 4.9 percent among Hispanic work-
18 ers.

19 (C) With regards to contracting, in 2021,
20 2.78 percent of Federal contracts were awarded
21 to Asian-owned small businesses, 1.67 percent
22 went to Black-owned small businesses, 1.78
23 percent went to Hispanic-owned small busi-
24 nesses, and 2.69 percent went to Native Amer-
25 ican-owned small businesses compared to 15.64

1 percent of Federal contracts awarded to White-
2 owned small businesses. In total, 9.4 percent of
3 contracting dollars went to minority-owned
4 businesses when 19 percent of United States
5 employer businesses are minority-owned.

6 (D) In terms of access to capital, in 2021,
7 15 percent of Asian-owned small businesses re-
8 ceived all the financing they sought, 16 percent
9 of Black-owned small businesses received all the
10 non-emergency financing they sought, and 19
11 percent of Hispanic-owned small businesses re-
12 ceived all the non-emergency financing they
13 sought, as compared to 35 percent of White-
14 owned small businesses.

15 (3) Given these disparities, the program estab-
16 lished under section 8(a) of the Small Business Act
17 (15 U.S.C. 637(a)) remains a vital part in increas-
18 ing access to Federal contracting opportunities for
19 business owners considered socially and economically
20 disadvantaged, as defined in such Act, and is a crit-
21 ical business development program for ensuring
22 these individuals can start and grow their businesses
23 to compete for Federal contracts.

1 **SEC. 403. DEFINITIONS.**

2 In this title, the terms “qualified HUBZone small
3 business concern”, “small business concern owned and
4 controlled by service-disabled veterans”, and “small busi-
5 ness concern owned and controlled by women” have the
6 meanings given those terms in section 3 of the Small Busi-
7 ness Act (15 U.S.C. 632).

8 **SEC. 404. DURATION OF PARTICIPATION; RAMP-UP PERIOD;**
9 **TRANSITION PERIOD.**

10 (a) EXTENSION OF PROGRAM PARTICIPATION PE-
11 RIOD.—Section 7(j)(15) of the Small Business Act (15
12 U.S.C. 636(j)(15)) is amended—

13 (1) in the matter preceding subparagraph (A),
14 by striking “nine years” and inserting “10 years”;

15 (2) in subparagraph (A), by striking “four
16 years” and inserting “5 years”; and

17 (3) in subparagraph (B), by striking “five
18 years” and inserting “5 years”.

19 (b) RAMP-UP PERIOD.—

20 (1) DEFINITION.—In this subsection, the term
21 “covered small business concern” means a small
22 business concern that, as of the date of enactment
23 of this Act—

24 (A) is in the first 3 years as a participant
25 in the program established under section 8(a)
26 of the Small Business Act (15 U.S.C. 637(a));

1 (B) is an individually owned entity; and

2 (C) has not been awarded a contract under
3 such section 8(a), excluding contracts that meet
4 the simplified acquisition threshold described in
5 section 134 of title 41, United States Code.

6 (2) ELECTION.—

7 (A) IN GENERAL.—Subject to subpara-
8 graph (B), a covered small business concern
9 may elect at the time of certification to begin
10 the 10-year program participation period under
11 section 7(j)(15) of the Small Business Act (15
12 U.S.C. 636(j)(15)), as amended by subsection
13 (a), on the earlier of—

14 (i) the date on which the covered
15 small business concern is awarded a con-
16 tract under section 8(a) of the Small Busi-
17 ness Act (15 U.S.C. 637(a)); or

18 (ii) 3 years after the date on which
19 the covered small business concern was
20 certified to participate in the program es-
21 tablished under such section 8(a).

22 (B) LIMITATION.—Notwithstanding sub-
23 paragraph (A), the program participation pe-
24 riod for a covered small business concern under

1 section 7(j)(15) of the Small Business Act (15
2 U.S.C. 636(j)(15)) shall not exceed 13 years.

3 (3) TRAINING.—

4 (A) IN GENERAL.—Except as provided in
5 subparagraph (B), if a covered small business
6 concern makes an election under paragraph (2),
7 the covered small business concern shall—

8 (i) participate in 12 hours per year of
9 marketing, business development training,
10 and engagement to show intent in building
11 capacity to participate in the Federal con-
12 tracting market, which shall be satisfied
13 through training provided by the Adminis-
14 tration, the Minority Business Develop-
15 ment Agency, resource partners of the Ad-
16 ministration, Procurement Technical As-
17 sistance Centers, or national organizations
18 with expertise in Federal contracting or
19 that provide contracting certifications; and

20 (ii) log the progress of the covered
21 small business concern on the training car-
22 ried out under clause (i) in the annual re-
23 view submitted by the covered small busi-
24 ness concern.

25 (B) EXCEPTION.—

1 (i) IN GENERAL.—The requirements
 2 under subparagraph (A)(i) shall be waived
 3 for a covered small business concern if, be-
 4 fore reaching 36 hours of training under
 5 subparagraph (A)(i), the covered small
 6 business concern is awarded a contract
 7 under section 8(a) of the Small Business
 8 Act (15 U.S.C. 637(a)).

9 (ii) REQUIREMENT TO LOG.—Notwith-
 10 standing clause (i), a covered small busi-
 11 ness concern that receives a waiver under
 12 clause (i) is required to log the training in
 13 which the small business concern partici-
 14 pates under subparagraph (A) in accord-
 15 ance with clause (ii) of such subparagraph.

16 (c) TRANSITION PERIOD.—

17 (1) DEFINITIONS.—In this subsection—

18 (A) the term “covered small business con-
 19 cern” means a small business concern that is in
 20 the final 3 years of participation in the program
 21 established under section 8(a) of the Small
 22 Business Act (15 U.S.C. 637(a)); and

23 (B) the term “economically disadvantaged
 24 individual” means an individual described in

1 section 8(a)(6)(A) of the Small Business Act
2 (15 U.S.C. 637(a)(6)(A)).

3 (2) INCREASED AMOUNTS.—The Administrator
4 may permit the owner of a covered small business
5 concern to have an adjusted gross income and per-
6 sonal net worth that is not more than 3 times higher
7 than the amount allowed for the covered small busi-
8 ness program under the program established under
9 section 8(a) of the Small Business Act (15 U.S.C.
10 637(a)), and continue to be considered economically
11 disadvantaged for the purposes of that program, if
12 the owner demonstrates—

13 (A) an investment in the covered small
14 business concern to continue to compete in the
15 Federal contracting market, such as investment
16 in company infrastructure;

17 (B) a plan for how the covered small busi-
18 ness concern is being prepared to compete for
19 Federal contracts after exiting the program es-
20 tablished under section 8(a) of the Small Busi-
21 ness Act (15 U.S.C. 637(a)); and

22 (C) any other metrics as determined by the
23 Administrator.

1 **SEC. 405. ADMINISTRATIVE REQUIREMENTS FOR 8(a)**
2 **FIRMS.**

3 Not later than 90 days after the date of enactment
4 of this Act, the Administrator shall issue or revise regula-
5 tions to—

6 (1) make the review process for small business
7 concerns already certified under section 8(a) of the
8 Small Business Act (15 U.S.C. 637(a)) less burden-
9 some by modifying the annual review of each such
10 small business concern, including by—

11 (A) providing that, with respect to such an
12 annual review, each such small business con-
13 cern—

14 (i) shall submit to the Administrator
15 a new business plan, including a contract
16 forecast, a transitional management plan,
17 and an annual performance of contracts,
18 and a business capture strategy approach
19 only if the plan or approach, as applicable,
20 has changed, as compared with the pre-
21 vious year; and

22 (ii) may indicate to the Administrator
23 that there has been no change to the busi-
24 ness plan or business capture strategy ap-
25 proach described in clause (i) during the
26 previous year; and

1 (B) making such other reductions in the
 2 number of forms and documents submitted by
 3 each such small business concern that the Ad-
 4 ministrator determines necessary, while still en-
 5 suring that each such small business concern
 6 maintains good standing with respect to the
 7 program carried out under such section 8(a);

8 (2) determine a new process for how the Ad-
 9 ministrator processes the annual review of each such
 10 small business concern that, at a minimum, requires
 11 the Administrator to conduct a review, which shall
 12 be expedited, of the small business concern when the
 13 small business concern is awarded a contract under
 14 such section 8(a); and

15 (3) coordinate with the General Services Ad-
 16 ministration to streamline the Past Performance
 17 Questionnaire form for small business concerns and
 18 Federal agencies participating in the programs es-
 19 tablished under sections 8(a), 8(m), 31, and 36 of
 20 the Small Business Act (15 U.S.C. 637(a), 637(m),
 21 657a, 657f).

22 **SEC. 406. SBA REPRESENTATION ON THE FEDERAL ACQUI-**
 23 **SITION REGULATION COUNCIL.**

24 Section 1302(b) of title 41, United States Code, is
 25 amended—

1 (1) in paragraph (1)—

2 (A) in subparagraph (C), by striking
3 “and” at the end;

4 (B) in subparagraph (D), by striking the
5 period at the end and inserting “; and”; and

6 (C) by adding at the end the following:

7 “(E) the Administrator of the Small Busi-
8 ness Administration.”; and

9 (2) in paragraph (2)(A), by striking “subpara-
10 graphs (B) to (D)” and inserting “subparagraphs
11 (B) through (E)”.

12 **SEC. 407. OFFICE OF SMALL AND DISADVANTAGED BUSI-**
13 **NESS UTILIZATION; DIRECTOR.**

14 Section 15(k)(3) of the Small Business Act (15
15 U.S.C. 644(k)(3)) is amended by inserting “be at a level
16 that is not less senior than the Under Secretary of Defense
17 for Policy or the Under Secretary of Defense for Acquisi-
18 tion and Sustainment,” after “appraisals),”.

19 **SEC. 408. SOLE SOURCE THRESHOLDS.**

20 The Small Business Act (15 U.S.C. 631 et seq.) is
21 amended—

22 (1) in section 8 (15 U.S.C. 637)—

23 (A) in subsection (a)(1)(D)(i), by striking
24 subclause (II) and inserting the following:

1 “(II) the anticipated award price
2 of the contract (including options and
3 options periods) will exceed—

4 “(aa) \$12,000,000 in the
5 case of a contract opportunity as-
6 signed a North American Indus-
7 try Classification System code for
8 research and development, except
9 that such amount shall be
10 \$14,000,000 if the small business
11 concern is a participating or
12 graduated mentor in, or a joint
13 venture established under, the
14 mentor-protege program under
15 section 45;

16 “(bb) \$14,000,000 (or
17 \$16,000,000, if the small busi-
18 ness concern is a participating or
19 graduated mentor in, or a joint
20 venture established under, the
21 mentor-protege program under
22 section 45) in the case of a con-
23 tract opportunity described in
24 item (aa), if the small business
25 concern subcontracts with an in-

stitution of higher education described in section 371(a) of the Higher Education Act of 1965 (20 U.S.C. 1067q(a)), for which the limitations on subcontracting under section 46 shall not apply;

“(cc) \$14,000,000 in the case of a contract opportunity assigned a North American Industry Classification System code for manufacturing, except that such amount shall be \$16,000,000 if the small business concern is a participating or graduated mentor in, or a joint venture established under, the mentor-protege program under section 45; or

“(dd) \$10,000,000 in the case of any other contract opportunity, except that such amount shall be \$12,000,000 if the small business concern is a participating or graduated mentor in, or a joint venture established

1 under, the mentor-protege pro-
2 gram under section 45.”; and

3 (B) in subsection (m)—

4 (i) in paragraph (7)(B), by striking
5 clauses (i) and (ii) and inserting the fol-
6 lowing:

7 “(i) \$12,000,000 in the case of a con-
8 tract opportunity assigned a North Amer-
9 ican Industry Classification System code
10 for research and development;

11 “(ii) \$14,000,000 in the case of a con-
12 tract opportunity described in item (aa), if
13 the small business concern partners with
14 an institution of higher education de-
15 scribed in section 371(a) of the Higher
16 Education Act of 1965 (20 U.S.C.
17 1067q(a));

18 “(iii) \$14,000,000 in the case of a
19 contract opportunity assigned a North
20 American Industry Classification System
21 code for manufacturing; or

22 “(iv) \$10,000,000 in the case of any
23 other contract opportunity; and”;

1 (ii) in paragraph (8)(B), by striking
 2 clauses (i) and (ii) and inserting the fol-
 3 lowing:

4 “(i) \$12,000,000 in the case of a con-
 5 tract opportunity assigned a North Amer-
 6 ican Industry Classification System code
 7 for research and development;

8 “(ii) \$14,000,000 in the case of a con-
 9 tract opportunity described in item (aa), if
 10 the small business concern partners with
 11 an institution of higher education de-
 12 scribed in section 371(a) of the Higher
 13 Education Act of 1965 (20 U.S.C.
 14 1067q(a));

15 “(iii) \$14,000,000 in the case of a
 16 contract opportunity assigned a North
 17 American Industry Classification System
 18 code for manufacturing; or

19 “(iv) \$10,000,000 in the case of any
 20 other contract opportunity; and”;

21 (2) in section 31(c)(2)(A)(ii) (15 U.S.C.
 22 657a(c)(2)(A)(ii)), by striking subclauses (I) and
 23 (II) and inserting the following:

24 “(I) \$12,000,000 in the case of a
 25 contract opportunity assigned a North

1 American Industry Classification Sys-
 2 tem code for research and develop-
 3 ment;

4 “(II) \$14,000,000 in the case of
 5 a contract opportunity described in
 6 item (aa), if the qualified HUBZone
 7 small business concern partners with
 8 an institution of higher education de-
 9 scribed in section 371(a) of the High-
 10 er Education Act of 1965 (20 U.S.C.
 11 1067q(a));

12 “(III) \$14,000,000 in the case of
 13 a contract opportunity assigned a
 14 North American Industry Classifica-
 15 tion System code for manufacturing;
 16 or

17 “(IV) \$10,000,000 in the case of
 18 any other contract opportunity; and”;
 19 and

20 (3) in section 36(c)(2) (15 U.S.C. 657f(c)(2)),
 21 by striking subparagraphs (A) and (B) and inserting
 22 the following:

23 “(A) \$12,000,000 in the case of a contract
 24 opportunity assigned a North American Indus-

try Classification System code for research and development;

“(B) \$14,000,000 in the case of a contract opportunity described in item (aa), if the small business concern partners with an institution of higher education described in section 371(a) of the Higher Education Act of 1965 (20 U.S.C. 1067q(a));

“(C) \$14,000,000 in the case of a contract opportunity assigned a North American Industry Classification System code for manufacturing; or

“(D) \$10,000,000 in the case of any other contract opportunity; and”.

SEC. 409. MENTOR-PROTEGE PROGRAM.

(a) REMOVAL OF RESTRICTION ON NUMBER OF MENTORS.—

(1) IN GENERAL.—Section 45(b)(3)(A) of the Small Business Act (15 U.S.C. 657r(b)(3)(A)) is amended by striking “, including any restrictions” and all that follows through the end of the subparagraph and inserting a period.

(2) REGULATIONS.—The Administrator shall issue regulations to provide that there is no restriction on the number of mentors under section 45 of

1 the Small Business Act (15 U.S.C. 657r) that a
 2 small business concern participating in the program
 3 established under section 8(a) of the Small Business
 4 Act (15 U.S.C. 637(a)) may have while participating
 5 in the program, if the mentor-protege relationships
 6 do not conflict or compete with each other.

7 (b) DATABASE.—The Administrator shall create an
 8 online centralized database for mentors and proteges (as
 9 defined in section 45 of the Small Business Act (15 U.S.C.
 10 657r)) to foster connection and support business develop-
 11 ment between the 2 groups.

12 (c) STREAMLINED PROCESS.—The Administrator
 13 shall issue regulations to streamline the process for apply-
 14 ing to the mentor-protege program established under sec-
 15 tion 45 of the Small Business Act (15 U.S.C. 657r).

16 **SEC. 410. CERTIFICATION PROCESS.**

17 (a) REGULATIONS.—Not later than 1 year after the
 18 date of enactment of this Act, the Administrator shall
 19 issue regulations to streamline the certification process for
 20 small business concerns seeking to become certified as—

21 (1) a participant in the program established
 22 under section 8(a) of the Small Business Act (15
 23 U.S.C. 637(a));

24 (2) a small business concern owned and con-
 25 trolled by women;

1 (3) a qualified HUBZone small business con-
2 cern; or

3 (4) a small business concern owned and con-
4 trolled by service-disabled veterans.

5 (b) REPORT.—Not later than 180 days after the date
6 of enactment of this Act, the Administrator shall submit
7 to the appropriate committees of Congress a report that
8 outlines how the Administrator plans to streamline the
9 certification process described in subsection (a).

10 **SEC. 411. REPEAL OF BONAFIDE OFFICE RULE.**

11 Section 8(a) of the Small Business Act (15 U.S.C.
12 637(a)) is amended by repealing paragraph (11).

13 **SEC. 412. REPORTS.**

14 (a) DEMOGRAPHIC DATA.—Not later than 180 days
15 after the date of enactment of this Act, and annually
16 thereafter, the Administrator shall—

17 (1) make publicly available on the website of
18 the Administration—

19 (A) disaggregated data on the size and
20 number of contracts in total by the Federal
21 Government and by each Federal agency to
22 small business concerns by demographics, in-
23 cluding, at a minimum, the gender, race, and
24 ethnicity categories published by the Adminis-
25 tration in the disaggregated Federal contracting

1 data in December 2021, and the size of the
2 small business concern; and

3 (B) data on the number of small business
4 concerns owned and controlled by disabled indi-
5 viduals that are participating in the program
6 established under section 8(a); and

7 (2) with consultation with the Administrator of
8 General Services, include on SAM.gov the ability for
9 small business concerns to report the data described
10 in paragraph (1)(B).

11 (b) REVIEW OF SIZE STANDARDS.—Not later than
12 180 days after the date of enactment of this Act, the Ad-
13 ministrator shall conduct a review of and submit to Con-
14 gress a report on the size standards applicable to partici-
15 pants in the program established under section 8(a) of the
16 Small Business Act (15 U.S.C. 637(a)), and outline ways
17 in which the Administration can modify size standards to
18 allow program participants to grow and continue to exist
19 after exiting the program.

20 (c) ABILITY TO OBTAIN SET-ASIDE AND SOLE
21 SOURCE CONTRACTS.—Not later than 1 year after the
22 date of enactment of this Act, the Administrator shall sub-
23 mit to Congress a report on—

24 (1) the ability of small business concerns par-
25 ticipating in the program established under 8(a) of

1 the Small Business Act (15 U.S.C. 637(a)) that are
2 not owned by Alaska Native Corporations or Native
3 Hawaiian Organizations to compete for and success-
4 fully obtain set-aside contracts, including by report-
5 ing data comparing the distribution of awarded set-
6 aside contracts among—

7 (A) small business concerns participating
8 in that program that are not owned by Alaska
9 Native Corporations or Native Hawaiian Orga-
10 nizations; and

11 (B) small business concerns participating
12 in that program that are owned by Alaska Na-
13 tive Corporations or Native Hawaiian Organiza-
14 tions; and

15 (2) the best sole source thresholds to enable
16 small business concerns participating in the program
17 established under 8(a) of the Small Business Act
18 (15 U.S.C. 637(a)) to secure available sole source
19 contracts.

20 (d) CHANGES TO 8(a) PROGRAM.—Not later than
21 180 days after the date of enactment of this Act, the Ad-
22 ministrator shall submit to Congress a report on a plan
23 to implement the changes to the program established
24 under section 8(a) of the Small Business Act (15 U.S.C.

1 637(a)) required under this title and the amendments
2 made by this title.

3 **SEC. 413. AUTHORIZATION OF APPROPRIATIONS.**

4 There is authorized to be appropriated to the Admin-
5 istration—

6 (1) for fiscal year 2023 and every fiscal year
7 thereafter—

8 (A) \$20,000,000 to increase the number of
9 procurement center representatives under sec-
10 tion 15(l) of the Small Business Act (15 U.S.C.
11 644(l)) and commercial marketing representa-
12 tives, of which \$2,000,000 of those amounts
13 shall be used to provide those individuals with
14 increased training on the process to be awarded
15 a sole-source contract;

16 (B) \$20,000,000 to increase the number of
17 district office business specialists available
18 under the program established under section
19 8(a) of the Small Business Act (15 U.S.C.
20 637(a));

21 (C) \$5,000,000 for costs related to certi-
22 fying small business concerns as small business
23 concerns owned and controlled by women; and

24 (D) \$400,000 for costs related to proc-
25 essing applications to participate in the mentor-

1 protege program established under section 45 of
 2 the Small Business Act (15 U.S.C. 657r); and
 3 (2) for fiscal year 2023, to remain available
 4 until expended, \$2,500,000 to replace the dynamic
 5 small business search database of the Administra-
 6 tion.

7 **TITLE V—COMMUNITY ADVAN-**
 8 **TAGE LOAN PROGRAM PER-**
 9 **MANENCY ACT OF 2022**

10 **SEC. 501. SHORT TITLE.**

11 This title may be cited as the “Community Advantage
 12 Loan Program Permanency Act of 2022”.

13 **SEC. 502. FINDINGS.**

14 Congress finds that—

15 (1) capital access remains one of the largest
 16 barriers to overcome for socially and economically
 17 disadvantaged business owners as well as for the
 18 smallest small businesses;

19 (2) according to the Double Jeopardy: COVID–
 20 19’s Concentrated Health and Wealth Effects in
 21 Black Communities study conducted by the Federal
 22 Reserve banks, in 2020—

23 (A) firms owned by people of color are
 24 more likely to have weak capitalizations, limited

1 bank relationships, and little in cash reserves;
2 and

3 (B) 51 percent of Black-owned businesses
4 have less than 3 months of cash reserves in
5 case of an emergency, which is nearly 7 per-
6 centage points higher than their peers;

7 (3) according to the Small Business Credit Sur-
8 vey conducted by the Federal Reserve banks, in
9 2021—

10 (A) 31 percent of firms that sought financ-
11 ing received the full financing sought by the
12 firm;

13 (B) firms owned by people of color were
14 least likely to receive the full amount of financ-
15 ing sought by the firm, with 15 percent of
16 Asian-owned businesses, 16 percent of Black-
17 owned businesses, and 19 percent of Hispanic-
18 owned businesses receiving full financing, as op-
19 posed to 35 percent of non-Hispanic White-
20 owned businesses receiving full financing; and

21 (C) firms with fewer employees were also
22 least likely to receive the full financing sought
23 by the firm, with 23 percent of businesses with
24 1 to 4 employees and 37 percent of businesses
25 with 5 to 49 employees receiving full financing,

1 as opposed to 55 percent of businesses with 50
2 to 499 employees receiving full financing;

3 (4) the Community Advantage Pilot Program of
4 the Administration has helped increase lending
5 backed by the Administration to firms owned by peo-
6 ple of color, women, and veterans and firms classi-
7 fied as startups;

8 (5) from fiscal year 2018 to fiscal year 2022—

9 (A) 13 percent of loans under the Commu-
10 nity Advantage Pilot Program went to Black
11 business owners, while 4 percent of loans under
12 the loan program under section 7(a) of the
13 Small Business Act (15 U.S.C. 636(a)) (in this
14 section referred to as the “7(a) loan program”)
15 went to Black business owners;

16 (B) 15 percent of loans under the Commu-
17 nity Advantage Pilot Program went to Hispanic
18 business owners, while 8 percent of loans under
19 the 7(a) loan program went to Hispanic busi-
20 ness owners;

21 (C) 20 percent of loans under the Commu-
22 nity Advantage Pilot Program went to women
23 business owners, while 17 percent of loans
24 under the 7(a) loan program went to women
25 business owners; and

1 (D) 9 percent of loans under the Commu-
 2 nity Advantage Pilot Program went to veteran
 3 business owners, while 5 percent of loans under
 4 the 7(a) loan program went to veteran business
 5 owners; and

6 (6) from fiscal year 2020 to fiscal year 2021,
 7 14 percent of loans under the Community Advantage
 8 Pilot Program went to startup business owners,
 9 while 7 percent of loans under the 7(a) loan pro-
 10 gram went to startup business owners.

11 **SEC. 503. COMMUNITY ADVANTAGE LOAN PROGRAM.**

12 (a) IN GENERAL.—Section 7(a) of the Small Busi-
 13 ness Act (15 U.S.C. 636(a)) is amended by adding at the
 14 end the following:

15 “(38) COMMUNITY ADVANTAGE LOAN PRO-
 16 GRAM.—

17 “(A) PURPOSES.—The purposes of the
 18 Community Advantage Loan Program are—

19 “(i) to create a mission-oriented loan
 20 guarantee program that builds on the dem-
 21 onstrated success of the Community Ad-
 22 vantage Pilot Program of the Administra-
 23 tion, as established in 2011, to reach more
 24 underserved small business concerns;

1 “(ii) to increase lending to small busi-
2 ness concerns in underserved and rural
3 markets, including veterans and members
4 of the military community, socially and
5 economically disadvantaged individuals, as
6 described in paragraphs (5) and (6)(A) of
7 section 8(a), respectively, women, and new
8 businesses;

9 “(iii) to ensure that the program
10 under this subsection expands inclusion
11 and more broadly meets congressional in-
12 tent to reach borrowers who are unable to
13 get credit elsewhere on reasonable terms
14 and conditions;

15 “(iv) to help underserved small busi-
16 ness concerns become bankable by utilizing
17 the small dollar financing and business
18 support experience of mission-oriented
19 lenders;

20 “(v) to allow certain mission-oriented
21 lenders, primarily financial intermediaries
22 focused on economic development in under-
23 served markets, access to guarantees for
24 loans under this subsection (in this para-
25 graph referred to as ‘7(a) loans’) of not

1 more than \$350,000 and provide manage-
 2 ment and technical assistance to small
 3 business concerns as needed;

4 “(vi) to provide certainty for the lend-
 5 ing partners that make loans under this
 6 subsection and to attract new lenders;

7 “(vii) to encourage collaboration be-
 8 tween mission-oriented and conventional
 9 lenders under this subsection in order to
 10 support underserved small business con-
 11 cerns; and

12 “(viii) to assist covered institutions
 13 with providing business support services
 14 and technical assistance to small business
 15 concerns, when needed.

16 “(B) DEFINITIONS.—In this paragraph—

17 “(i) the term ‘Community Advantage
 18 Network Partner’—

19 “(I) means a nonprofit, mission-
 20 oriented organization that acts as a
 21 Referral Agent to covered institutions
 22 in order to expand the reach of the
 23 program to small businesses in under-
 24 served markets; and

1 “(II) does not include a covered
2 institution making loans under the
3 program;

4 “(ii) the term ‘covered institution’
5 means an entity that—

6 “(I) is—

7 “(aa) a development com-
8 pany, as defined in section 103 of
9 the Small Business Investment
10 Act of 1958 (15 U.S.C. 662),
11 participating in the 504 Loan
12 Guaranty program established
13 under title V of that Act (15
14 U.S.C. 695 et seq.);

15 “(bb) a nonprofit inter-
16 mediary, as defined in subsection
17 (m)(11), participating in the
18 microloan program under sub-
19 section (m);

20 “(cc) a non-federally regu-
21 lated entity or a lending institu-
22 tion certified as a community de-
23 velopment financial institution by
24 the Community Development Fi-
25 nancial Institutions Fund estab-

1 lished under section 104(a) of
2 the Riegle Community Develop-
3 ment and Regulatory Improve-
4 ment Act of 1994 (12 U.S.C.
5 4703(a)); or

6 “(dd) an eligible inter-
7 mediary, as defined in subsection
8 (l)(1), participating in the Inter-
9 mediary Lending Program estab-
10 lished under subsection (l)(2);
11 and

12 “(II) has approved and disbursed
13 10 similarly sized loans in the pre-
14 ceding 24-month period and is serv-
15 icing not less than 10 similarly sized
16 loans to small business concerns in
17 the portfolio of the entity;

18 “(iii) the term ‘existing business’
19 means a small business concern that has
20 been in existence for not less than 2 years
21 on the date on which a loan is made to the
22 small business concern under the program;

23 “(iv) the term ‘new business’ means a
24 small business concern that has been in ex-
25 istence for not more than 2 years on the

1 date on which a loan is made to the small
2 business concern under the program;

3 “(v) the term ‘program’ means the
4 Community Advantage Loan Program es-
5 tablished under subparagraph (C);

6 “(vi) the term ‘Referral Agent’ has
7 the meaning given the term in section
8 103.1(f) of title 13, Code of Federal Regu-
9 lations, or any successor regulation;

10 “(vii) the term ‘rural area’ means any
11 county that the Bureau of the Census has
12 defined as mostly rural or completely rural
13 in the most recent decennial census; and

14 “(viii) the term ‘small business con-
15 cern in an underserved market’ means a
16 small business concern—

17 “(I) that is located in—

18 “(aa) a low- to moderate-in-
19 come community;

20 “(bb) a HUBZone, as that
21 term is defined in section 31(b);

22 “(cc) a rural area; or

23 “(dd) any area for which a
24 disaster declaration or determina-
25 tion described in subparagraph

1 (A), (B), (C), or (E) of sub-
2 section (b)(2) has been made
3 that has not terminated more
4 than 2 years before the date (or
5 later, as determined by the Ad-
6 ministrator) on which a loan is
7 made to the small business con-
8 cern under the program, except
9 that, in the case of a major dis-
10 aster described in subsection
11 (b)(2)(A), that period shall be 5
12 years;

13 “(II) for which more than 50
14 percent of the employees reside in a
15 low- or moderate-income community;

16 “(III) that is a new business;

17 “(IV) owned and controlled by
18 socially and economically disadvan-
19 taged individuals, as described in
20 paragraphs (5) and (6)(A) of section
21 8(a), respectively, which the Adminis-
22 trator, in carrying out the program,
23 shall presume includes Black Ameri-
24 cans, Hispanic Americans, Native

1 Americans, Asian Pacific Americans,
2 and other minorities;

3 “(V) owned and controlled by
4 women;

5 “(VI) owned and controlled by
6 veterans or spouses of veterans;

7 “(VII) owned and controlled by a
8 member of an Indian Tribe individ-
9 ually identified (including parentheti-
10 cally) in the most recent list published
11 pursuant to section 104 of the Feder-
12 ally Recognized Indian Tribe List Act
13 of 1994 (25 U.S.C. 5131);

14 “(VIII) owned and controlled by
15 an individual who has completed a
16 term of imprisonment in a Federal,
17 State, or local jail or prison;

18 “(IX) owned and controlled by an
19 individual with a disability, as that
20 term is defined in section 3 of the
21 Americans with Disabilities Act of
22 1990 (42 U.S.C. 12102); or

23 “(X) as otherwise determined by
24 the Administrator.

1 “(C) ESTABLISHMENT.—There is estab-
2 lished a Community Advantage Loan Program
3 under which the Administration may guarantee
4 loans made by covered institutions under this
5 subsection, with an emphasis on loans made to
6 small business concerns in underserved mar-
7 kets.

8 “(D) PROGRAM LEVELS.—In fiscal year
9 2023 and each fiscal year thereafter, not more
10 than 10 percent of the number of loans guaran-
11 teed under this subsection may be guaranteed
12 under the program.

13 “(E) GRANDFATHERING OF EXISTING
14 LENDERS.—Any covered institution that ac-
15 tively participated in the Community Advantage
16 Pilot Program of the Administration and is in
17 good standing, as determined by the Adminis-
18 tration, on the day before the date of enactment
19 of this paragraph—

20 “(i) shall retain designation in the
21 program;

22 “(ii) shall not be required to submit
23 an application to participate in the pro-
24 gram; and

1 “(iii) for the purpose of determining
2 the loan loss reserve amount of the covered
3 institution, shall have participation in the
4 Community Advantage Pilot Program in-
5 cluded in the calculation under subpara-
6 graph (J).

7 “(F) REQUIREMENT TO MAKE LOANS TO
8 UNDERSERVED MARKETS.—Not less than 70
9 percent of loans made by a covered institution
10 under the program shall consist of loans made
11 to small business concerns in underserved mar-
12 kets.

13 “(G) MAXIMUM LOAN AMOUNT.—The max-
14 imum loan amount for a loan guaranteed under
15 the program is \$350,000.

16 “(H) INTEREST RATES.—The maximum
17 allowable interest rate prescribed by the Admin-
18 istration on any financing made on a deferred
19 basis pursuant to the program shall not exceed
20 the maximum allowable interest rate under sec-
21 tions 120.213 and 120.214 of title 13, Code of
22 Federal Regulations, or any successor regula-
23 tions.

24 “(I) REFINANCING OF COMMUNITY ADVAN-
25 TAGE PROGRAM LOANS.—A loan guaranteed

1 under the program or guaranteed under the
 2 Community Advantage Pilot Program of the
 3 Administration may be refinanced into another
 4 7(a) loan made by lender that does not partici-
 5 pate in the program.

6 “(J) LOAN LOSS RESERVE REQUIRE-
 7 MENTS.—

8 “(i) LOAN LOSS RESERVE ACCOUNT
 9 FOR COVERED INSTITUTIONS.—A covered
 10 institution—

11 “(I) with not more than 5 years
 12 of participation in the program shall
 13 maintain a loan loss reserve account
 14 with an amount equal to 5 percent of
 15 the outstanding amount of the
 16 unguaranteed portion of the loan
 17 portfolio of the covered institution
 18 under the program; and

19 “(II) with more than 5 years of
 20 participation in the program shall
 21 maintain a loan loss reserve account
 22 with an amount equal to the average
 23 repurchase rate of the covered institu-
 24 tion over the preceding 36-month pe-
 25 riod.

1 “(ii) ADDITIONAL LOAN LOSS RE-
2 SERVE AMOUNT FOR SELLING LOANS ON
3 THE SECONDARY MARKET.—In addition to
4 the amount required in the loan loss re-
5 serve account under clause (i), a covered
6 institution that sells a program loan on the
7 secondary market shall be required to
8 maintain the following additional amounts
9 in the loan loss reserve account:

10 “(I) An amount equal to 2 per-
11 cent of the guaranteed portion of each
12 program loan sold on the secondary
13 market for lenders with less than 5
14 years experience selling program loans
15 on the secondary market.

16 “(II) An amount equal to the av-
17 erage repurchase rate for loans sold
18 by the lender on the secondary market
19 over the preceding 36 months for
20 lenders with more than 5 years experi-
21 ence selling program loans on the sec-
22 ondary market.

23 “(iii) RECALCULATION.—The loan
24 loss reserve required under clauses (i) and

1 (ii) shall be recalculated on October 1 of
2 each year.

3 “(K) TRAINING.—The Administration—

4 “(i) shall provide accessible upfront
5 and ongoing training for covered institu-
6 tions making loans under the program to
7 support program compliance and improve
8 the interface between the covered institu-
9 tions and the Administration, which shall
10 include—

11 “(I) guidance for following the
12 regulations of the Administration; and

13 “(II) guidance specific to mis-
14 sion-oriented lending that is intended
15 to help lenders effectively reach and
16 support underserved small business
17 concerns, including management and
18 technical assistance delivery;

19 “(ii) shall ensure that the training de-
20 scribed in clause (i) is provided for free or
21 at a low cost;

22 “(iii) may enter into a contract to
23 provide the training described in clause (i)
24 with an organization with expertise in
25 lending under this subsection and pri-

1 marily specializing in mission-oriented
2 lending, and lending to underserved mar-
3 kets; and

4 “(iv) shall provide training for the
5 employees and contractors of the Adminis-
6 tration that regularly engage with covered
7 institutions or borrowers in the program.

8 “(L) COMMUNITY ADVANTAGE OUTREACH
9 AND EDUCATION.—The Administrator—

10 “(i) shall develop and implement a
11 program to promote to, conduct outreach
12 to, and educate prospective covered institu-
13 tions about the program, with a focus on
14 women- and minority-owned covered insti-
15 tutions; and

16 “(ii) may enter into a contract with 1
17 or more nonprofit organizations experi-
18 enced in working with and training mis-
19 sion-driven lenders to provide the outreach
20 and education described in clause (i).

21 “(M) COMMUNITY ADVANTAGE NETWORK
22 PARTNER PARTICIPATION.—

23 “(i) IN GENERAL.—A covered institu-
24 tion that uses a Community Advantage
25 Network Partner shall abide by policies

1 and procedures of the Administration con-
2 cerning the use of Referral Agent fees per-
3 mitted by the Administration and disclo-
4 sure of those fees.

5 “(ii) PAYMENT OF FEES.—Notwith-
6 standing any other provision of law, all
7 fees described in clause (i) shall be paid by
8 the covered institution to the Community
9 Advantage Network Partner upon dis-
10 bursement of the applicable program loan.

11 “(N) DELEGATED AUTHORITY.—A covered
12 institution is not eligible to receive delegated
13 authority from the Administration under the
14 program until the covered institution has ap-
15 proved and fully disbursed not less than 10
16 loans under the program and the Administra-
17 tion had evaluated the ability of the covered in-
18 stitution to fulfill program requirements.

19 “(O) REPORTING.—

20 “(i) WEEKLY REPORTS.—

21 “(I) IN GENERAL.—The Admin-
22 istration shall report on the website of
23 the Administration, as part of the
24 weekly reports on lending approvals
25 under this subsection—

1 “(aa) on and after the date
2 of enactment of this paragraph,
3 the number and dollar amount of
4 loans guaranteed under the Com-
5 munity Advantage Pilot Program
6 of the Administration; and

7 “(bb) on and after the date
8 on which the Administration be-
9 gins to approve loans under the
10 program, the number and dollar
11 amount of loans guaranteed
12 under the program.

13 “(II) SEPARATE ACCOUNTING.—
14 The number and dollar amount of
15 loans reported in a weekly report
16 under subclause (I) for loans guaran-
17 teed under the Community Advantage
18 Pilot Program of the Administration
19 and under the program shall include a
20 breakdown by the categories of race,
21 ethnicity, and gender of the owners of
22 the small business concerns, by wheth-
23 er the small business concern is a new
24 or existing small business concern,
25 and by whether the small business

1 concern is located in an urban or
2 rural area, and broken down by—

3 “(aa) loans of not more than
4 \$50,000;

5 “(bb) loans of more than
6 \$50,000 and not more than
7 \$150,000;

8 “(cc) loans of more than
9 \$150,000 and not more than
10 \$250,000; and

11 “(dd) loans of more than
12 \$250,000 and not more than
13 \$350,000.

14 “(ii) ANNUAL REPORTS.—

15 “(I) IN GENERAL.—For each fis-
16 cal year in which the program is in ef-
17 fect, the Administration shall submit
18 to the Committee on Small Business
19 and Entrepreneurship of the Senate
20 and the Committee on Small Business
21 of the House of Representatives, and
22 make publicly available on the inter-
23 net, information about loans provided
24 under the program and under the

1 Community Advantage Pilot Program
2 of the Administration.

3 “(II) CONTENTS.—Each report
4 submitted and made publicly available
5 under subclause (I) shall include—

6 “(aa) the number and dollar
7 amounts of loans provided to
8 small business concerns under
9 the program, including a break-
10 down by—

11 “(AA) the gender of the
12 owners of the small business
13 concern;

14 “(BB) the race and
15 ethnicity of the owners of
16 the small business concern,
17 disaggregated in a manner
18 that captures all the racial
19 groups specified in the
20 American Community Sur-
21 vey conducted by the Bu-
22 reau of the Census;

23 “(CC) whether the
24 small business concern is lo-

1 cated in an urban or rural
2 area; and

3 “(DD) whether the
4 small business concern is an
5 existing business or a new
6 business, as provided in the
7 weekly reports on lending
8 approvals under this sub-
9 section;

10 “(bb) the proportion of loans
11 described in item (aa) compared
12 to—

13 “(AA) other 7(a) loans
14 of any amount;

15 “(BB) other 7(a) loans
16 of similar amounts;

17 “(CC) express loans
18 provided under paragraph
19 (31) of similar amounts; and

20 “(DD) other 7(a) loans
21 of similar amounts provided
22 to small business concerns
23 in underserved markets;

24 “(cc) a comparison of the
25 number and dollar amounts of

1 loans provided to small business
2 concerns under the program and
3 under each category of loans de-
4 scribed in item (aa), broken down
5 by—

6 “(AA) loans of not
7 more than \$50,000;

8 “(BB) loans of more
9 than \$50,000 and not more
10 than \$150,000;

11 “(CC) loans of more
12 than \$150,000 and not more
13 than \$250,000; and

14 “(DD) loans of more
15 than \$250,000 and not more
16 than \$350,000;

17 “(dd) the number and dollar
18 amounts of loans provided to
19 small business concerns under
20 the program by State, and the
21 jobs created or retained within
22 each State;

23 “(ee) a list of covered insti-
24 tutions participating in the pro-
25 gram and the Community Advan-

1 tage Pilot Program of the Ad-
2 ministration, including—

3 “(AA) the name, loca-
4 tion, and contact informa-
5 tion, such as the website and
6 telephone number, of each
7 covered institution; and

8 “(BB) a breakdown by
9 the number and dollar
10 amount of the loans ap-
11 proved for small business
12 concerns; and

13 “(ff) the benchmarks estab-
14 lished by the Community Advan-
15 tage Working Group under sub-
16 paragraph (O)(i).

17 “(III) TIMING.—An annual re-
18 port required under this clause
19 shall—

20 “(aa) be submitted and
21 made publicly available not later
22 than December 1 of each year;
23 and

24 “(bb) cover the lending ac-
25 tivity for the fiscal year that

1 ended on September 30 of that
2 same year.

3 “(P) GAO REPORT.—Not later than 5
4 years after the date of enactment of this para-
5 graph, the Comptroller General of the United
6 States shall submit to the Administrator, the
7 Committee on Small Business and Entrepre-
8 neurship of the Senate, and the Committee on
9 Small Business of the House of Representatives
10 a report—

11 “(i) assessing—

12 “(I) the extent to which the pro-
13 gram fulfills the requirements of this
14 paragraph; and

15 “(II) the performance of covered
16 institutions participating in the pro-
17 gram; and

18 “(ii) providing recommendations on
19 the administration of the program and the
20 findings under subclauses (I) and (II) of
21 clause (i).

22 “(Q) COMMUNITY ADVANTAGE WORKING
23 GROUP.—

24 “(i) IN GENERAL.—Not later than 90
25 days after the date of enactment of this

1 paragraph, the Administrator shall estab-
2 lish a Community Advantage Working
3 Group, which shall—

4 “(I) include—

5 “(aa) a geographically di-
6 verse representation of members
7 from among covered institutions
8 participating in the program; and

9 “(bb) representatives from
10 the Office of Capital Access of
11 the Administration, including the
12 Office of Credit Risk Manage-
13 ment, the Office of Financial As-
14 sistance, and the Office of Eco-
15 nomic Opportunity;

16 “(II) develop recommendations
17 on how the Administration can effec-
18 tively manage, support, and promote
19 the program and the mission of the
20 program;

21 “(III) establish metrics of suc-
22 cess and benchmarks that reflect the
23 mission and population served by cov-
24 ered institutions under the program,
25 which the Administration shall use to

1 evaluate the performance of those cov-
2 ered institutions;

3 “(IV) establish criteria assessing
4 the business support services and
5 technical assistance needs of bor-
6 rowers and methods to assess lender
7 expertise to provide necessary services
8 and assistance; and

9 “(V) institute regular and sus-
10 tainable systems of communication be-
11 tween the Administration and covered
12 institutions participating in the pro-
13 gram.

14 “(ii) REPORT.—Not later than 1 year
15 after the date of enactment of this para-
16 graph, the Administrator shall submit to
17 the Committee on Small Business and En-
18 trepreneurship of the Senate and the Com-
19 mittee on Small Business of the House of
20 Representatives a report that includes—

21 “(I) the recommendations of the
22 Community Advantage Working
23 Group established under clause (i);
24 and

1 “(II) a recommended plan and
2 timeline for implementation of those
3 recommendations.

4 “(R) REGULATIONS.—

5 “(i) IN GENERAL.—Not later than
6 180 days after the date of enactment of
7 this paragraph, the Administrator shall
8 promulgate regulations governing the pro-
9 gram, including metrics for lender per-
10 formance, metrics of success and bench-
11 marks of the program, and criteria for ap-
12 propriate management and technical as-
13 sistance.

14 “(ii) UPDATES.—The Administrator
15 shall consult the report issued under sub-
16 paragraph (P) and, not later than 180
17 days after submission of the report, pro-
18 mulgate any necessary changes to existing
19 regulations of the Administration based on
20 the recommendations contained in the re-
21 port.

22 “(S) AUTHORIZATION OF APPROPRIA-
23 TIONS.—There is authorized to be appropriated
24 such sums as may be necessary to conduct out-

1 reach and education described in subparagraph
2 (L).”.

3 (b) PARTICIPATION.—Section 7(a)(2) of the Small
4 Business Act (15 U.S.C. 636(a)(2)) is amended—

5 (1) in subparagraph (A), in the matter pre-
6 ceding clause (i), by striking “and (F)” and insert-
7 ing “(F), and (G)”; and

8 (2) by adding at the end the following:

9 “(G) PARTICIPATION IN THE COMMUNITY
10 ADVANTAGE LOAN PROGRAM.—In an agreement
11 to participate in a loan on a deferred basis
12 under paragraph (38), the participation by the
13 Administration shall be—

14 “(i) 80 percent of the balance of the
15 financing outstanding at the time of the
16 disbursement of the loan, if that balance is
17 more than \$150,000 and not more than
18 \$350,000; or

19 “(ii) 90 percent of the balance of the
20 financing outstanding at the time of the
21 disbursement of the loan, if that balance is
22 not more than \$150,000.”.

1 **TITLE VI—STEP IMPROVEMENT**
2 **ACT OF 2022**

3 **SEC. 601. SHORT TITLE.**

4 This title may be cited as the “STEP Improvement
5 Act of 2022”.

6 **SEC. 602. STATE TRADE EXPANSION PROGRAM.**

7 (a) APPLICATION REQUIREMENTS.—Section 22(l)(3)
8 of the Small Business Act (15 U.S.C. 649(l)(3)) is amend-
9 ed—

10 (1) in subparagraph (D)—

11 (A) in clause (i), by inserting “, including
12 a budget plan for use of funds awarded under
13 this subsection” before the period at the end;
14 and

15 (B) by adding at the end the following:

16 “(iii) TIMING.—The Associate Admin-
17 istrator shall—

18 “(I) publish information on how
19 to apply for a grant under this sub-
20 section, including specific calculations
21 and other determinations used to
22 award such a grant, not later than
23 March 31 of each year;

24 “(II) establish a deadline for the
25 submission of applications that is not

1 earlier than 60 days after the date on
2 which the information is published
3 under subclause (I) and that is not
4 later than May 31; and

5 “(III) announce grant recipients
6 not later than August 31 of each
7 year.”; and

8 (2) by adding at the end the following:

9 “(E) APPLICATION INFORMATION.—The
10 Associate Administrator shall clearly commu-
11 nicate to applicants and grant recipients any in-
12 formation about State Trade Expansion Pro-
13 gram, including—

14 “(i) for each unsuccessful applicant
15 for a grant awarded under this subsection,
16 recommendations to improve a subsequent
17 application for such a grant; and

18 “(ii) for each successful applicant for
19 such a grant, an explanation for the
20 amount awarded, if different from the
21 amount requested in the application.

22 “(F) BUDGET PLAN REVISIONS.—

23 “(i) IN GENERAL.—A State receiving
24 a grant under this subsection may revise
25 the budget plan of the State submitted

1 under subparagraph (D) after the dis-
2 bursal of grant funds if—

3 “(I) the revision complies with al-
4 lowable uses of grant funds under this
5 subsection; and

6 “(II) such State submits notifica-
7 tion of the revision to the Associate
8 Administrator.

9 “(ii) EXCEPTION.—If a revision under
10 clause (i) reallocates 10 percent or more of
11 the amounts described in the budget plan
12 of the State submitted under subparagraph
13 (D), the State may not implement the re-
14 vised budget plan without the approval of
15 the Associate Administrator, unless the As-
16 sociate Administrator fails to approve or
17 deny the revised plan within 20 days after
18 receipt of such revised plan.”.

19 (b) SURVEY.—Section 22(l) of the Small Business
20 Act (15 U.S.C. 649(l)) is amended—

21 (1) by redesignating paragraphs (7) through
22 (9) as paragraphs (8) through (10), respectively;
23 and

24 (2) by inserting after paragraph (6) the fol-
25 lowing:

1 “(7) SURVEY.—The Associate Administrator
 2 shall conduct an annual survey of each State that
 3 received a grant under this subsection during the
 4 preceding year to solicit feedback on the program
 5 and develop best practices for grantees.”.

6 (c) ANNUAL REPORT.—Paragraph (8)(B) of section
 7 22(l) of the Small Business Act (15 U.S.C. 649(l)), as
 8 redesignated by subsection (b), is amended—

9 (1) in clause (i)—

10 (A) in subclause (III), by inserting “, in-
 11 cluding the total number of eligible small busi-
 12 ness concerns assisted by the program
 13 (disaggregated by socially and economically dis-
 14 advantaged small business concerns, small busi-
 15 ness concerns owned and controlled by women,
 16 and rural small business concerns)” before the
 17 semicolon at the end;

18 (B) in subclause (IV), by striking “and” at
 19 the end;

20 (C) in subclause (V)—

21 (i) by striking “description of best
 22 practices” and inserting “detailed descrip-
 23 tion of best practices”; and

24 (ii) by striking the period at the end
 25 and inserting a semicolon; and

1 (D) by adding at the end the following:

2 “(VI) an analysis of the perform-
 3 ance metrics described in clause (iii),
 4 including a determination of whether
 5 or not any goals relating to such per-
 6 formance metrics were met, and an
 7 analysis of the survey described in
 8 paragraph (7); and

9 “(VII) a description of lessons
 10 learned by grant recipients under this
 11 subsection that may apply to other as-
 12 sistance provided by the Administra-
 13 tion.”; and

14 (2) by adding at the end the following:

15 “(iii) PERFORMANCE METRICS.—An-
 16 nually, the Associate Administrator shall
 17 collect data on eligible small business con-
 18 cerns assisted by the program for the fol-
 19 lowing performance metrics:

20 “(I) Total number of such con-
 21 cerns, disaggregated by socially and
 22 economically disadvantaged small
 23 business concerns, small business con-
 24 cerns owned and controlled by women,
 25 and rural small business concerns.

1 “(II) Total dollar amount of ex-
2 port sales by eligible small business
3 concerns assisted by the program.

4 “(III) Number of such concerns
5 that have not previously participated
6 in an activity described in paragraph
7 (2).

8 “(IV) Number of such concerns
9 that, because of participation in the
10 program, have accessed a new market.

11 “(V) Number of such concerns
12 that, because of participation in the
13 program, have created new jobs.

14 “(VI) Number of such concerns
15 participating in foreign trade missions
16 or trade show exhibitions,
17 disaggregated by socially and eco-
18 nomically disadvantaged small busi-
19 ness concerns, small business concerns
20 owned and controlled by women, and
21 rural small business concerns.”.

22 (d) EXPANSION OF DEFINITION OF ELIGIBLE SMALL
23 BUSINESS CONCERN.—Section 22(l)(1)(A) of the Small
24 Business Act (15 U.S.C. 649(l)(1)(A)) is amended—

1 (1) in clause (iii)(II), by adding “and” at the
2 end;

3 (2) by striking clause (iv); and

4 (3) by redesignating clause (v) as clause (iv).

5 (e) AUTHORIZATION OF APPROPRIATIONS.—Para-
6 graph (10) of section 22(l) of the Small Business Act (15
7 U.S.C. 649(l)), as redesignated by subsection (b), is
8 amended by striking “fiscal years 2016 through 2020”
9 and inserting “fiscal years 2023 through 2026”.

10 (f) REPORT TO CONGRESS.—Not later than 1 year
11 after the date of enactment of this Act, the Associate Ad-
12 ministrator for International Trade of the Administration
13 shall submit to Congress a report on the State Trade Ex-
14 pansion Program established under section 22(l) of the
15 Small Business Act (15 U.S.C. 649(l)) that includes a de-
16 scription of—

17 (1) the process developed for review of revised
18 budget plans submitted under subparagraph (F) of
19 section 22(l)(3) of the Small Business Act (15
20 U.S.C. 649(l)(3)), as added by this title;

21 (2) any changes made to streamline the applica-
22 tion process to remove duplicative requirements and
23 create a more transparent process;

24 (3) the process developed to share best prac-
25 tices by States described in paragraph (8)(B)(i)(V)

1 of section 22(l) of the Small Business Act (15
 2 U.S.C. 649(l)), as redesignated by this title, particu-
 3 larly for first-time grant recipients under the State
 4 Trade Expansion Program or grant recipients that
 5 are facing problems using grant funds; and

6 (4) the process developed to communicate, both
 7 verbally and in writing, relevant information about
 8 the State Trade Expansion Program to all grant re-
 9 cipients in a timely manner.

10 **TITLE VII—VETERANS** 11 **PROGRAMS**

12 **SEC. 701. VETERAN FEDERAL PROCUREMENT ENTREPRE-** 13 **NEURSHIP TRAINING PROGRAM.**

14 (a) IN GENERAL.—Section 32 of the Small Business
 15 Act (15 U.S.C. 657b) is amended by striking subsection
 16 (f) and inserting the following:

17 “(f) VETERAN FEDERAL PROCUREMENT ENTREPRE-
 18 NEURSHIP TRAINING PROGRAM.—The Administrator, act-
 19 ing through the Associate Administrator, shall make
 20 grants to, or enter into a cooperative agreement with, not
 21 more than 1 nonprofit entity to operate a Federal procure-
 22 ment entrepreneurship training program to provide assist-
 23 ance to small business concerns owned and controlled by
 24 veterans regarding how to increase the likelihood of being
 25 awarded contracts with the Federal Government—

1 “(1) which shall be made to or entered into
 2 with a nonprofit entity that has a track record of
 3 successfully providing educational and job training
 4 services to targeted veteran populations from diverse
 5 locations;

6 “(2) under which the nonprofit entity may, at
 7 the discretion of the Administrator, be required to
 8 match any Federal funds received for the program
 9 with State, local, or private sector funds; and

10 “(3) under which the nonprofit entity shall use
 11 a diverse group of professional service experts, such
 12 as Federal, State, and local contracting experts and
 13 private sector industry experts with first-hand expe-
 14 rience in Federal Government contracting, to provide
 15 instruction to small business concerns owned and
 16 controlled by veterans.”.

17 (b) AUTHORIZATION OF APPROPRIATIONS.—There
 18 are authorized to be appropriated to the Administration,
 19 \$1,000,000 for each of fiscal years 2023 through 2027
 20 to carry out section 32 of the Small Business Act (15
 21 U.S.C. 657b), as amended by subsection (a).

22 **SEC. 702. BOOTS TO BUSINESS PROGRAM.**

23 Section 32 of the Small Business Act (15 U.S.C.
 24 657b) is amended by adding at the end the following:

25 “(h) BOOTS TO BUSINESS PROGRAM.—

1 “(1) COVERED INDIVIDUAL DEFINED.—In this
2 subsection, the term ‘covered individual’ means—

3 “(A) a member of the Armed Forces, in-
4 cluding the National Guard or Reserves;

5 “(B) an individual who is participating in
6 the Transition Assistance Program established
7 under section 1144 of title 10, United States
8 Code;

9 “(C) an individual who—

10 “(i) served on active duty in any
11 branch of the Armed Forces, including the
12 National Guard or Reserves; and

13 “(ii) was discharged or released from
14 such service under conditions other than
15 dishonorable; and

16 “(D) a spouse or dependent of an indi-
17 vidual described in subparagraph (A), (B), or
18 (C).

19 “(2) ESTABLISHMENT.—During the period be-
20 ginning on the date of enactment of this subsection
21 and ending on September 30, 2027, the Adminis-
22 trator shall carry out a program to be known as the
23 ‘Boots to Business Program’ to provide entrepre-
24 neurship training to covered individuals.

1 “(3) GOALS.—The goals of the Boots to Busi-
2 ness Program are to—

3 “(A) provide assistance and in-depth train-
4 ing to covered individuals interested in business
5 ownership; and

6 “(B) provide covered individuals with the
7 tools, skills, and knowledge necessary to identify
8 a business opportunity, draft a business plan,
9 identify sources of capital, connect with local
10 resources for small business concerns, and start
11 up a small business concern.

12 “(4) PROGRAM COMPONENTS.—

13 “(A) IN GENERAL.—The Boots to Busi-
14 ness Program may include—

15 “(i) a presentation providing exposure
16 to the considerations involved in self-em-
17 ployment and ownership of a small busi-
18 ness concern;

19 “(ii) an online, self-study course fo-
20 cused on the basic skills of entrepreneur-
21 ship, the language of business, and the
22 considerations involved in self-employment
23 and ownership of a small business concern;

24 “(iii) an in-person classroom instruc-
25 tion component providing an introduction

1 to the foundations of self-employment and
2 ownership of a small business concern; and

3 “(iv) in-depth training delivered
4 through online instruction, including an
5 online course that leads to the creation of
6 a business plan.

7 “(B) COLLABORATION.—The Adminis-
8 trator may—

9 “(i) collaborate with public and pri-
10 vate entities to develop course curricula for
11 the Boots to Business Program; and

12 “(ii) modify program components in
13 coordination with entities participating in a
14 Warriors in Transition program, as defined
15 in section 738(e) of the National Defense
16 Authorization Act for Fiscal Year 2013
17 (10 U.S.C. 1071 note).

18 “(C) USE OF RESOURCE PARTNERS AND
19 DISTRICT OFFICES.—

20 “(i) IN GENERAL.—The Administrator
21 shall—

22 “(I) ensure that Veteran Busi-
23 ness Outreach Centers regularly par-
24 ticipate, on a nationwide basis, in the
25 Boots to Business Program; and

1 “(II) to the maximum extent
2 practicable, use district offices of the
3 Administration and a variety of other
4 resource partners and entities in ad-
5 ministering the Boots to Business
6 Program.

7 “(ii) GRANT AUTHORITY.—In carrying
8 out clause (i), the Administrator may make
9 grants to Veteran Business Outreach Cen-
10 ters, other resource partners, or other enti-
11 ties to carry out components of the Boots
12 to Business Program.

13 “(D) AVAILABILITY TO DEPARTMENT OF
14 DEFENSE AND THE DEPARTMENT OF LABOR.—
15 The Administrator shall make available to the
16 Secretary of Defense and the Secretary of
17 Labor information regarding the Boots to Busi-
18 ness Program, including all course materials
19 and outreach materials related to the Boots to
20 Business Program, for inclusion on the websites
21 of the Department of Defense and the Depart-
22 ment of Labor relating to the Transition Assist-
23 ance Program, in the Transition Assistance
24 Program manual, and in other relevant mate-

1 rials available for distribution from the Sec-
2 retary of Defense and the Secretary of Labor.

3 “(E) AVAILABILITY TO DEPARTMENT OF
4 VETERANS AFFAIRS.—In consultation with the
5 Secretary of Veterans Affairs, the Adminis-
6 trator shall make available for distribution and
7 display on the website of the Department of
8 Veterans Affairs and at local facilities of the
9 Department of Veterans Affairs outreach mate-
10 rials regarding the Boots to Business Program,
11 which shall, at a minimum—

12 “(i) describe the Boots to Business
13 Program and the services provided; and

14 “(ii) include eligibility requirements
15 for participating in the Boots to Business
16 Program.

17 “(F) AVAILABILITY TO OTHER PARTICI-
18 PATING AGENCIES.—The Administrator shall
19 ensure information regarding the Boots to
20 Business program, including all course mate-
21 rials and outreach materials related to the
22 Boots to Business Program, is made available
23 to other participating agencies in the Transition
24 Assistance Program and upon request of other
25 agencies.

1 “(5) COMPETITIVE BIDDING PROCEDURES.—

2 The Administration shall use relevant competitive
3 bidding procedures with respect to any contract or
4 cooperative agreement executed by the Administra-
5 tion under the Boots to Business Program.

6 “(6) PUBLICATION OF NOTICE OF FUNDING OP-
7 PORTUNITY.—Not later than 30 days before the
8 deadline for submitting applications for any funding
9 opportunity under the Boots to Business Program,
10 the Administration shall publish a notice of the
11 funding opportunity.

12 “(7) REPORT.—Not later than 180 days after
13 the date of enactment of this subsection, and not
14 less frequently than annually thereafter, the Admin-
15 istrator shall submit to the Committee on Small
16 Business and Entrepreneurship of the Senate and
17 the Committee on Small Business of the House of
18 Representatives a report on the performance and ef-
19 fectiveness of the Boots to Business Program,
20 which—

21 “(A) may be included as part of another
22 report submitted to such committees by the Ad-
23 ministrator related to the Office of Veterans
24 Business Development; and

1 “(B) shall summarize available information
2 relating to—

3 “(i) grants awarded under paragraph
4 (4)(C);

5 “(ii) the total cost of the Boots to
6 Business Program;

7 “(iii) the number of program partici-
8 pants using each component of the Boots
9 to Business Program;

10 “(iv) the completion rates for each
11 component of the Boots to Business Pro-
12 gram;

13 “(v) to the extent possible—

14 “(I) the demographics of pro-
15 gram participants, to include gender,
16 age, race, ethnicity, and relationship
17 to military;

18 “(II) the number of program
19 participants that connect with a dis-
20 trict office of the Administration, a
21 Veteran Business Outreach Center, or
22 another resource partner of the Ad-
23 ministration;

1 “(III) the number of program
2 participants that start a small busi-
3 ness concern;

4 “(IV) the results of the Boots to
5 Business and Boots to Business
6 Reboot course quality surveys con-
7 ducted by the Office of Veterans Busi-
8 ness Development before and after at-
9 tending each of those courses, includ-
10 ing a summary of any comments re-
11 ceived from program participants;

12 “(V) the results of the Boots to
13 Business Program outcome surveys
14 conducted by the Office of Veterans
15 Business Development, including a
16 summary of any comments received
17 from program participants; and

18 “(VI) the results of other ger-
19 mane participant satisfaction surveys;

20 “(C) an evaluation of the overall effective-
21 ness of the Boots to Business Program based
22 on each geographic region covered by the Ad-
23 ministration during the most recent fiscal year;

24 “(D) an assessment of additional perform-
25 ance outcome measures for the Boots to Busi-

1 ness Program, as identified by the Adminis-
2 trator;

3 “(E) any recommendations of the Adminis-
4 trator for improvement of the Boots to Busi-
5 ness Program, which may include expansion of
6 the types of individuals who are covered individ-
7 uals;

8 “(F) an explanation of how the Boots to
9 Business Program has been integrated with
10 other transition programs and related resources
11 of the Administration and other Federal agen-
12 cies; and

13 “(G) any additional information the Ad-
14 ministrator determines necessary.”.

15 **TITLE VIII—SURETY BOND** 16 **PROGRAM**

17 **SEC. 801. EXPANDING SURETY BOND PROGRAM.**

18 Part B of title IV of the Small Business Investment
19 Act of 1958 (15 U.S.C. 694a et seq.) is amended—

20 (1) in section 411(a) (15 U.S.C. 694b(a))—

21 (A) in paragraph (1)—

22 (i) in subparagraph (A), by striking

23 “\$6,500,000” and inserting

24 “\$10,000,000”; and

1 (ii) by amending subparagraph (B) to
2 read as follows:

3 “(B) The Administrator may guarantee a
4 surety under subparagraph (A) for a total work
5 order or contract entered into by a Federal
6 agency in an amount that does not exceed
7 \$20,000,000.”; and

8 (2) in section 412 (15 U.S.C. 694c)—

9 (A) in subsection (a), in the third sentence,
10 by striking “, excluding administrative ex-
11 penses,”;

12 (B) by redesignating subsection (b) as sub-
13 section (c); and

14 (C) by inserting after subsection (a) the
15 following:

16 “(b) Not more than 5 percent of the amount that
17 is in the fund described in subsection (a) at the beginning
18 of each fiscal year may be obligated during that fiscal year
19 to cover costs incurred by the Administration in connec-
20 tion with the management and administration of this part,
21 including information technology and systems, personnel
22 costs, outreach activities, and contracts related thereto.”.

**TITLE IX—SBIC EMERGING
MANAGERS PROGRAM**

SEC. 901. BROADENING INVESTMENT BY THE SBIC PROGRAM.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the Office of Innovation and Investment should market to, engage with, and provide enhanced onboarding support to applicants for small business investment company licenses, with a priority to reach those companies that are managed by—

(1) women;

(2) socially disadvantaged individuals, as described in section 8(a)(5) of the Small Business Act (15 U.S.C. 637(a)(5));

(3) economically disadvantaged individuals, as described in section 8(a)(6)(A) of the Small Business Act (15 U.S.C. 637(a)(6)(A));

(4) veterans, as defined in section 101 of title 38, United States Code; or

(5) individuals in rural or low-income areas, as determined by the Administrator using the most recently available data from the Bureau of the Census.

(b) AMENDMENT.—Part A of title III of the Small Business Investment Act of 1958 (15 U.S.C. 681 et seq.) is amended by adding at the end the following:

1 **“SEC. 321. EMERGING MANAGERS PROGRAM.**

2 “(a) DEFINITIONS.—In this section:

3 “(1) COVERED INVESTMENTS.—The term ‘cov-
4 ered investments’ means investments in—

5 “(A) infrastructure, including—

6 “(i) roads, bridges, and mass transit;

7 “(ii) water supply and sewer;

8 “(iii) the electrical grid;

9 “(iv) broadband and telecommuni-
10 cations;

11 “(v) clean energy; or

12 “(vi) child care and elder care;

13 “(B) manufacturing;

14 “(C) low-income communities, as defined
15 in section 45D(e) of the Internal Revenue Code
16 of 1986;

17 “(D) HUBZones, as defined in section
18 31(b) of the Small Business Act (15 U.S.C.
19 657a(b));

20 “(E) small business concerns owned and
21 controlled by a member of an Indian Tribe indi-
22 vidually identified (including parenthetically) in
23 the most recent list published pursuant to sec-
24 tion 104 of the Federally Recognized Indian
25 Tribe List Act of 1994 (25 U.S.C. 5131);

1 “(F) small business concerns owned and
 2 controlled by an individual with a disability, as
 3 defined in section 3 of the Americans with Dis-
 4 abilities Act of 1990 (42 U.S.C. 12102);

5 “(G) small business concerns owned and
 6 controlled by a veteran, as defined in section 3
 7 of the Small Business Act (15 U.S.C. 632); or

8 “(H) industries identified by the Adminis-
 9 trator.

10 “(2) EMERGING MANAGER COMPANY.—The
 11 term ‘emerging manager company’ means an invest-
 12 ment management firm that is focused on investing
 13 private equity and that meets not less than 2 of the
 14 following criteria:

15 “(A) The partners of the firm have—

16 “(i) an investment track record of less
 17 than 10 years of combined investment ex-
 18 perience; or

19 “(ii) a documented record of success-
 20 ful business experience.

21 “(B) The firm has a focus on underserved
 22 markets.

23 “(C) The firm is not less than 50 percent
 24 owned, managed, or controlled by—

25 “(i) women;

1 “(ii) socially disadvantaged individ-
2 uals, as described in section 8(a)(5) of the
3 Small Business Act (15 U.S.C. 637(a)(5));

4 “(iii) economically disadvantaged indi-
5 viduals, as described in section 8(a)(6)(A)
6 of the Small Business Act (15 U.S.C.
7 637(a)(6)(A));

8 “(iv) veterans, as defined in section
9 101 of title 38, United States Code;

10 “(v) individuals in rural or low-income
11 areas, as determined by the Administrator
12 using the most recently available data from
13 the Bureau of the Census; or

14 “(vi) individuals with disabilities, as
15 defined in section 49 of the Small Business
16 Act.

17 “(b) ESTABLISHMENT.—The Administrator shall es-
18 tablish an emerging managers program pursuant to which
19 managers with substantial experience in operating small
20 business investment companies—

21 “(1) may enter into a written agreement ap-
22 proved by the Administrator to provide guidance and
23 assistance to an applicant for a license for a small
24 business investment company license that is to be
25 managed by an emerging manager company; and

1 “(2) may hold a minority financial interest in
2 the small business investment company described in
3 paragraph (1).

4 “(c) LICENSING.—An applicant described in sub-
5 section (b) shall apply for a license under section 301(c)
6 and shall—

7 “(1) have private capital not to exceed
8 \$100,000,000;

9 “(2) be managed by not less than two individ-
10 uals;

11 “(3) be a second generation fund or earlier; and

12 “(4) focus its investment strategy on covered
13 investments.

14 “(d) WAIVER OF MAXIMUM LEVERAGE.—The ap-
15 proval of a written agreement under subsection (b) by the
16 Administrator shall operate as a waiver of the require-
17 ments of section 303(b)(2)(B) to the extent that such sec-
18 tion would otherwise apply.

19 “(e) INCREASED LEVERAGE MAXIMUM.—An existing
20 small business investment company that enters into a
21 written agreement under subsection (b) may receive an in-
22 crease in the maximum leverage cap of the company under
23 section 303(b)(2)—

1 “(1) under subparagraph (A) of such section,
2 with respect to a single license, by not more than
3 \$17,500,000; and

4 “(2) under subparagraph (B) of such section,
5 with respect to multiple licenses under common con-
6 trol, by not more than \$35,000,000.”.

7 **TITLE X—NEW START ACT OF**
8 **2022**

9 **SEC. 1001. SHORT TITLE.**

10 This title may be cited as the “Necessary Entrepre-
11 neurship Workshops via the SBA to Transform and Assist
12 Re-entry Training Act of 2022” or the “NEW START
13 Act of 2022”.

14 **SEC. 1002. FINDINGS.**

15 Congress finds that—

16 (1) according to the Department of Justice,
17 every year, over 600,000 individuals are released
18 from prison and return home to their communities,
19 and almost 77 percent of those individuals will re-
20 offend within 5 years;

21 (2) according to the Brookings Institute, an es-
22 timated 48.5 percent of formerly incarcerated indi-
23 viduals will remain unemployed or earn a negligible
24 income for a period of 1 year post-incarceration, in-
25 creasing the risk for recidivism;

1 (3) according to the Florida State University
2 Institute for Justice Research and Development, for-
3 merly incarcerated individuals see a reduction in
4 earnings of 25 percent since criminal records make
5 it difficult to find stable employment;

6 (4) self-employment can provide economic sta-
7 bility for those who are otherwise locked out of the
8 labor market; and

9 (5) according to a paper entitled “Entrepre-
10 neurship as a Response to Labor Market Discrimi-
11 nation for Formerly Incarcerated People”—

12 (A) the average individual without a crimi-
13 nal record has a 7.09 percent likelihood of be-
14 coming an entrepreneur, but justice-impacted
15 individuals were found to be more than 50 per-
16 cent likely to choose entrepreneurship with a
17 12.69 percent likelihood of becoming an entre-
18 preneur;

19 (B) entrepreneurship reduces the likelihood
20 of recidivism by 5.3 percent, which was a 32.5
21 percent decrease from average recidivism rates
22 for regular employees who have been previously
23 incarcerated; and

24 (C) formerly incarcerated individuals who
25 choose entrepreneurship make \$2,700 more an-

1 nually than formerly incarcerated employees
 2 and that the income gap between formerly in-
 3 carcerated entrepreneurs and entrepreneurs
 4 with no criminal record was 38 percent lower
 5 than the income gap between formerly incarcer-
 6 ated employees and employees with no criminal
 7 record.

8 **SEC. 1003. PILOT PROGRAM.**

9 (a) DEFINITIONS.—In this title:

10 (1) COVERED INDIVIDUAL.—The term “covered
 11 individual” means an individual who—

12 (A) completed a term of imprisonment in
 13 Federal, State, or local jail or prison; and

14 (B) meets the offense eligibility require-
 15 ments set forth in any applicable policy notice
 16 or other guidance issued by the Administration
 17 for the program established under section 7(m)
 18 of the Small Business Act (15 U.S.C. 636(m)).

19 (2) INTERMEDIARY; MICROLOAN.—The terms
 20 “intermediary” and “microloan” have the meanings
 21 given those terms in section 7(m)(11) of the Small
 22 Business Act (15 U.S.C. 636(m)(11)).

23 (3) MICROLOAN INTERMEDIARY.—The term
 24 “microloan intermediary” means an intermediary
 25 that is eligible to participate in the program estab-

1 lished under section 7(m) of the Small Business Act
2 (15 U.S.C. 636(m)).

3 (4) PILOT PROGRAM.—The term “pilot pro-
4 gram” means the pilot program established under
5 subsection (b).

6 (b) ESTABLISHMENT.—Not later than 180 days after
7 the date of enactment of this Act, the Administrator shall
8 establish a pilot program to award grants to organizations
9 over a 5-year period to create or support existing entrepre-
10 neurship development programs to provide assistance to
11 covered individuals.

12 (c) GRANT REQUIREMENTS.—The Administrator
13 shall—

14 (1) award grants under the pilot program to or-
15 ganizations, or partnerships of organizations, which
16 shall each receive a grant in an amount greater than
17 \$100,000 and less than \$500,000 annually over the
18 5-year period in which the pilot program is in exist-
19 ence; and

20 (2) allocate grants under the pilot program to
21 ensure that the recipients are geographically varied
22 throughout the United States.

23 (d) PARTNERSHIPS.—An applicant for a grant under
24 the pilot program may form partnerships with other orga-
25 nizations for the purposes of the application submitted

1 under subsection (e) and for conducting entrepreneurial
2 development programming.

3 (e) APPLICATION.—

4 (1) IN GENERAL.—An organization or partner-
5 ship of organizations desiring a grant under the
6 pilot program shall submit an application to the Ad-
7 ministrator in such form, in such manner, and con-
8 taining such information as the Administrator may
9 reasonably require.

10 (2) CONTENTS.—An application submitted
11 under paragraph (1) shall—

12 (A) demonstrate that the applicant is a
13 microloan intermediary or an organization that
14 administers the Community Advantage Pilot
15 Program of the Administration, or has a part-
16 nership with such an intermediary or organiza-
17 tion, that may provide microloans to qualified
18 covered individuals, or, to the extent that the
19 applicant is a national organization in multiple
20 different markets, that a separate microloan
21 intermediary may be used in each such market;

22 (B) demonstrate strong community ties,
23 including those with the covered individual com-
24 munity, local businesses, and political leaders;

1 (C) demonstrate an ability to provide a full
 2 range of entrepreneurial development program-
 3 ming on an ongoing basis;

4 (D) include a plan for reaching covered in-
 5 dividuals, including by identifying particular
 6 target populations within the community;

7 (E) clearly define entrepreneurial develop-
 8 ment capabilities, including coordination with
 9 existing local resource partners of the Adminis-
 10 tration for additional training as necessary;

11 (F) present an entrepreneurship develop-
 12 ment curriculum, which may be a nationally
 13 recognized model or based upon such a model;

14 (G) include a list of each partner organiza-
 15 tion; and

16 (H) include a comprehensive plan for the
 17 use of grant funds, including estimates for ad-
 18 ministrative and outreach costs of running and
 19 evaluating the entrepreneurship development
 20 program.

21 (f) PRIORITY.—In determining whether to award a
 22 grant under the pilot program, the Administrator may
 23 give priority to applicants based on—

24 (1) whether the application includes a commit-
 25 ment from an existing or new non-Federal funding

1 source to meet the matching requirement under sub-
 2 section (g);

3 (2) whether the application takes into account
 4 local economies and markets as a part of the edu-
 5 cational component of the entrepreneurship develop-
 6 ment program;

7 (3) the ability or plan of the applicant to pro-
 8 vide entrepreneurial development services concurrent
 9 with employment or job training services; and

10 (4) whether the applicant has a history of effec-
 11 tively providing entrepreneurial training or access to
 12 capital to covered individuals.

13 (g) MATCHING REQUIREMENT.—

14 (1) IN GENERAL.—As a condition of a grant
 15 provided under the pilot program, the Administrator
 16 shall require the recipient of the grant to contribute
 17 an amount equal to 25 percent of the amount of the
 18 grant, obtained solely from existing or new non-Fed-
 19 eral sources.

20 (2) FORM.—In addition to cash or other direct
 21 funding, the contribution required under paragraph
 22 (1) may include indirect costs or in-kind contribu-
 23 tions paid for under non-Federal programs.

24 (h) RESPONSIBILITIES.—A recipient of a grant under
 25 the pilot program shall, to the maximum extent possible,

1 connect covered individuals to a range of Federal re-
 2 sources, including—

3 (1) the program established under section 7(m)
 4 of the Small Business Act (15 U.S.C. 636(m));

5 (2) the Community Advantage Pilot Program of
 6 the Administration;

7 (3) small business development centers, as de-
 8 fined in section 3 of the Small Business Act (15
 9 U.S.C. 632);

10 (4) women’s business centers described in sec-
 11 tion 29 of the Small Business Act (15 U.S.C. 656);

12 (5) chapters of the Service Corps of Retired Ex-
 13 ecutives established under section 8(b)(1)(B) of the
 14 Small Business Act ((15 U.S.C. 637(b)(1)(B));

15 (6) Veteran Business Outreach Centers de-
 16 scribed in section 32 of the Small Business Act (15
 17 U.S.C. 657b); and

18 (7) business centers established by the Minority
 19 Business Development Agency.

20 (i) REPORTS.—

21 (1) IN GENERAL.—Not later than 1 year after
 22 the date on which the Administrator establishes the
 23 pilot program, and every year thereafter until the
 24 pilot program terminates, the Administrator shall

1 submit to Congress a report on the activities of the
2 pilot program, including—

3 (A) a list of each grantee organization and
4 each partner organization;

5 (B) the characteristics of covered individ-
6 uals assisted under the entrepreneurship devel-
7 opment programs, including race and ethnicity,
8 gender, age, marital status, parental status,
9 employment status, income, banking and credit
10 history, and prior business experience;

11 (C) the participation and attendance rates
12 for all components of the entrepreneurship de-
13 velopment programs;

14 (D) the program retention rate;

15 (E) to the greatest extent practicable, the
16 most common reasons why participants do not
17 complete the program;

18 (F) the percentage of participants who re-
19 main non-justice involved during the calendar
20 year of the program;

21 (G) the level of the covered individuals' un-
22 derstanding of business concepts and principles;

23 (H) the level of the covered individuals'
24 greater confidence in leadership strengths, in-

cluding the results of an industry-recognized behavioral assessment;

(I) the covered individuals' progress made toward establishing a business;

(J) the experiences and perceptions of the covered individuals;

(K) the number and dollar amount of loans made to covered individuals;

(L) the number and dollar amount of loans made or guaranteed by the Administration to covered individuals; and

(M) such additional information as the Administrator may require.

(2) GAO REPORT.—Not later than 1 year after the date on which the pilot program terminates, the Comptroller General of the United States shall submit to the appropriate committees of Congress a report that evaluates—

(A) the services that grant recipients provided to covered individuals assisted under entrepreneurship development programs;

(B) oversight of the pilot program by the Administrator, including policies and procedures for monitoring the compliance by grant recipients with pilot program requirements and

1 an assessment of the effectiveness of the pilot
2 program; and

3 (C) the overall performance of the pilot
4 program and the impacts of the pilot program
5 on grant recipients.

6 (j) RULE OF CONSTRUCTION.—Nothing in this title
7 may be construed to affect the program established under
8 section 7(m) of the Small Business Act (15 U.S.C.
9 636(m)), including—

10 (1) the requirements of that program;

11 (2) the manner in which that program is car-
12 ried out; or

13 (3) the use or availability of any amounts that
14 have been made available to carry out that program.

15 (k) AUTHORIZATION OF APPROPRIATIONS.—There
16 are authorized to be appropriated to the Administrator
17 such sums as are necessary to carry out the pilot program.

18 (l) TERMINATION.—The pilot program shall termi-
19 nate on the date that is 5 years after the date on which
20 the Administrator establishes the pilot program.

21 **TITLE XI—UPLIFT ACT OF 2022**

22 **SEC. 1101. SHORT TITLE.**

23 This title may be cited as the “Ushering Progress by
24 Leveraging Innovation and Future Technology Act of
25 2022” or the “UPLIFT Act of 2022”.

1 **SEC. 1102. FINDINGS.**

2 Congress finds the following:

3 (1) Studies have found that incubators, accel-
4 erators, and other similar models are effective at in-
5 creasing revenues, the number of employees, and the
6 likelihood that the business venture will be success-
7 ful for participants.

8 (2) According to the Kauffman Foundation—

9 (A) minority-owned and women-owned
10 businesses are 1/2 as likely to employ people
11 than nonminority-owned and men-owned busi-
12 nesses; and

13 (B) if minorities started businesses at the
14 same rate as nonminorities, approximately
15 9,500,000 jobs would be added to the economy
16 of the United States.

17 (3) The Kauffman Foundation also found that
18 the percentage of startups in rural communities has
19 dropped from 20 percent in the 1980s to 12.2 per-
20 cent.

21 (4) According to the Martin Prosperity Insti-
22 tute, less than 1 percent of all venture capital fund-
23 ing goes to businesses located in rural areas.

24 (5) According to PitchBook, around 2 percent
25 of all venture capital funding goes to businesses with
26 women founders.

1 (6) According to Crunchbase, less than 3 per-
2 cent of all venture capital funding goes to businesses
3 with Black and Hispanic founders.

4 (7) Historically Black colleges and universities,
5 minority-serving institutions, and community col-
6 leges are anchor institutions that serve populations
7 that tend to be underrepresented in entrepreneur-
8 ship, particularly in high-growth sectors.

9 **SEC. 1103. PURPOSES.**

10 The purposes of the Innovation Centers Program es-
11 tablished under section 49 of the Small Business Act, as
12 added by this title, are to—

13 (1) spur economic growth in underserved com-
14 munities by creating good paying jobs and pathways
15 to prosperity;

16 (2) increase prospects for success for small
17 business concerns in underserved communities,
18 which often suffer from higher business failure rates
19 than the national average;

20 (3) help create a pipeline for small business
21 concerns in underserved and rural markets into
22 high-growth sectors, where they are generally under-
23 represented;

24 (4) help address the multi-decade decline in the
25 rate of new business creation;

1 (5) close the gaps that underserved small busi-
 2 ness concerns often have in terms of revenue and
 3 number of employees, which represent lost oppor-
 4 tunity for the economy of the United States; and

5 (6) encourage collaboration between the Admin-
 6 istration and institutions of higher learning that
 7 serve low-income and minority communities.

8 **SEC. 1104. INNOVATION CENTERS PROGRAM.**

9 (a) IN GENERAL.—The Small Business Act (15
 10 U.S.C. 631 et seq.) is amended—

11 (1) by redesignating section 49 (15 U.S.C. 631
 12 note) as section 50; and

13 (2) by inserting after section 48 (15 U.S.C.
 14 657u) the following:

15 **“SEC. 49. INNOVATION CENTERS PROGRAM.**

16 “(a) DEFINITIONS.—In this section:

17 “(1) ACCELERATOR.—The term ‘accelerator’
 18 means an organization—

19 “(A) that—

20 “(i) works with a startup or growing
 21 small business concern for a predetermined
 22 period; and

23 “(ii) provides mentorship and instruc-
 24 tion to scale businesses; and

25 “(B) that may—

1 “(i) provide, but is not exclusively de-
 2 signed to provide, seed investment in ex-
 3 change for a small amount of equity; and

4 “(ii) offer startup capital or the op-
 5 portunity to raise capital from outside in-
 6 vestors.

7 “(2) FEDERALLY RECOGNIZED AREA OF ECO-
 8 NOMIC DISTRESS.—The term ‘federally recognized
 9 area of economic distress’ means—

10 “(A) a HUBZone, as that term is defined
 11 in section 31(b); or

12 “(B) an area that has been designated
 13 as—

14 “(i) an empowerment zone under sec-
 15 tion 1391 of the Internal Revenue Code of
 16 1986;

17 “(ii) a Promise Zone by the Secretary
 18 of Housing and Urban Development; or

19 “(iii) a low-income neighborhood or
 20 moderate-income neighborhood for pur-
 21 poses of the Community Reinvestment Act
 22 of 1977 (12 U.S.C. 2901 et seq.).

23 “(3) GROWING; NEWLY ESTABLISHED; START-
 24 UP.—The terms ‘growing’, ‘newly established’, and
 25 ‘startup’, with respect to a small business concern,

1 mean growing, newly established, and startup, re-
2 spectively, within the meaning given those terms
3 under section 7(m).

4 “(4) INCUBATOR.—The term ‘incubator’ means
5 an organization—

6 “(A) that—

7 “(i) tends to work with startup and
8 newly established small business concerns;
9 and

10 “(ii) provides mentorship to startup
11 and newly established small business con-
12 cerns; and

13 “(B) that may—

14 “(i) provide a co-working environment
15 or a month-to-month lease program; and

16 “(ii) work with a startup or newly es-
17 tablished small business concern for a pre-
18 determined period or an open-ended pe-
19 riod.

20 “(5) INDIVIDUALS WITH DISABILITIES.—The
21 term ‘individuals with a disability’ means more than
22 1 individual with a disability, as defined in section
23 3 of the Americans with Disabilities Act of 1990 (42
24 U.S.C. 12102).

1 “(6) ELIGIBLE ENTITY.—The term ‘eligible en-
2 tity’ means—

3 “(A) an institution described in any of
4 paragraphs (1) through (7) of section 371(a) of
5 the Higher Education Act of 1965 (20 U.S.C.
6 1067q(a)); or

7 “(B) a junior or community college, as de-
8 fined in section 312(f) of the Higher Education
9 Act of 1965 (20 U.S.C. 1058(f)).

10 “(7) RURAL AREA.—The term ‘rural area’ has
11 the meaning given the term in section 7(m)(11).

12 “(8) SOCIALLY AND ECONOMICALLY DISADVAN-
13 TAGED INDIVIDUALS.—The term ‘socially and eco-
14 nomically disadvantaged individual’ means a socially
15 and economically disadvantaged individual within the
16 meaning given that term in section 8(d)(3)(C).

17 “(b) ESTABLISHMENT.—Not later than 1 year after
18 the date of enactment of the UPLIFT Act of 2022, the
19 Administrator shall develop and begin implementing a pro-
20 gram (to be known as the ‘Innovation Centers Program’)
21 to enter into cooperative agreements with eligible entities
22 under this section.

23 “(c) AUTHORITY.—

24 “(1) IN GENERAL.—The Administrator may—

1 “(A) enter into cooperative agreements to
2 provide financial assistance to eligible entities
3 to conduct 5-year projects for the benefit of
4 startup, newly established, or growing small
5 business concerns; and

6 “(B) renew a cooperative agreement en-
7 tered into under this section for additional 3-
8 year periods, in accordance with paragraph (3).

9 “(2) PROJECT REQUIREMENTS.—A project con-
10 ducted under a cooperative agreement under this
11 section shall—

12 “(A) include operating as an accelerator,
13 an incubator, or any other small business inno-
14 vation-focused project as the Administrator ap-
15 proves;

16 “(B) be carried out in such locations as to
17 provide maximum accessibility and benefits to
18 the small business concerns that the project is
19 intended to serve;

20 “(C) have a full-time staff, including a
21 full-time director who shall—

22 “(i) have the authority to make ex-
23 penditures under the budget of the project;
24 and

1 “(ii) manage the activities carried out
2 under the project;

3 “(D) include the joint provision of pro-
4 grams and services by the eligible entity and
5 the Administration, which—

6 “(i) shall be jointly developed, nego-
7 tiated, and agreed upon, with full partici-
8 pation of both parties, pursuant to an exe-
9 cuted cooperative agreement between the
10 eligible entity and the Administration; and

11 “(ii) shall include—

12 “(I) one-to-one individual coun-
13 seling, as described in section
14 21(c)(3)(A); and

15 “(II) a formal, structured
16 mentorship program;

17 “(E) incorporate continuous upgrades and
18 modifications to the services and programs of-
19 fered under the project, as needed to meet the
20 changing and evolving needs of the business
21 community;

22 “(F) involve working with underserved
23 groups, which include—

24 “(i) women;

1 “(ii) socially and economically dis-
2 advantaged individuals;

3 “(iii) veterans;

4 “(iv) individuals with disabilities; or

5 “(v) startup, newly established, or
6 growing small business concerns located in
7 rural areas;

8 “(G) not impose or otherwise collect a fee
9 or other compensation in connection with par-
10 ticipation in the programs and services de-
11 scribed in subparagraph (D)(ii); and

12 “(H) ensure that small business concerns
13 participating in the project have access, includ-
14 ing through resource partners, to information
15 concerning Federal, State, and local regulations
16 that affect small business concerns.

17 “(3) CONTINUED FUNDING.—

18 “(A) IN GENERAL.—An eligible entity that
19 enters into an initial cooperative agreement or
20 a renewal of a cooperative under paragraph (1)
21 may submit an application for a 3-year renewal
22 of the cooperative agreement at such time, in
23 such manner, and accompanied by such infor-
24 mation as the Administrator may establish.

1 “(B) APPLICATION AND APPROVAL CRI-
2 TERIA.—

3 “(i) CRITERIA.—The Administrator
4 shall develop and publish criteria for the
5 consideration and approval of applications
6 for renewals by eligible entities under this
7 paragraph, which shall take into account
8 the structure and the stated goals of the
9 project.

10 “(ii) NOTIFICATION.—Not later than
11 60 days after the date of the deadline to
12 submit applications for each fiscal year,
13 the Administrator shall approve or deny
14 any application under this paragraph and
15 notify the applicant for each such applica-
16 tion.

17 “(C) PRIORITY.—In allocating funds made
18 available for cooperative agreements under this
19 section, the Administrator shall give applica-
20 tions under this paragraph priority over first-
21 time applications for cooperative agreements
22 under paragraph (1)(A).

23 “(4) LIMIT ON USE OF FUNDS.—Amounts re-
24 ceived by an eligible entity under a cooperative
25 agreement under this section may not be used to

1 provide capital to a participant in the project carried
2 out under the cooperative agreement.

3 “(5) SCOPE OF AUTHORITY.—

4 “(A) SUBJECT TO APPROPRIATIONS.—The
5 authority of the Administrator to enter into co-
6 operative agreements under this section shall be
7 in effect for each fiscal year only to the extent
8 and in the amounts as are provided in advance
9 in appropriations Acts.

10 “(B) SUSPENSION, TERMINATION, AND
11 FAILURE TO RENEW OR EXTEND.—After the
12 Administrator has entered into a cooperative
13 agreement with an eligible entity under this sec-
14 tion, the Administrator may not suspend, termi-
15 nate, or fail to renew or extend the cooperative
16 agreement unless the Administrator provides
17 the eligible entity with written notification set-
18 ting forth the reasons for that action and af-
19 fords the eligible entity an opportunity for a
20 hearing, appeal, or other administrative pro-
21 ceeding under chapter 5 of title 5, United
22 States Code.

23 “(d) CRITERIA.—

24 “(1) IN GENERAL.—The Administrator shall—

1 “(A) establish and rank in terms of rel-
2 ative importance the criteria the Administrator
3 shall use in awarding cooperative agreements
4 under this section, which shall include—

5 “(i) whether the proposed project will
6 be located in—

7 “(I) a federally recognized area
8 of economic distress;

9 “(II) a rural area; or

10 “(III) an area lacking sufficient
11 entrepreneurial development re-
12 sources, as determined by the Admin-
13 istrator; and

14 “(ii) whether the proposed project
15 demonstrates a commitment to partner
16 with core stakeholders working with small
17 business concerns in the relevant area, in-
18 cluding—

19 “(I) investment and lending orga-
20 nizations;

21 “(II) nongovernmental organiza-
22 tions;

23 “(III) programs of State and
24 local governments that are concerned
25 with aiding small business concerns;

1 “(IV) Federal agencies; and

2 “(V) for-profit organizations with
3 an expertise in small business innova-
4 tion;

5 “(B) make publicly available, including on
6 the website of the Administration, and state in
7 each solicitation for applications for cooperative
8 agreements under this section, the selection cri-
9 teria and ranking established under subpara-
10 graph (A); and

11 “(C) evaluate and rank applicants for co-
12 operative agreements under this section in ac-
13 cordance with the selection criteria and ranking
14 established under subparagraph (A).

15 “(2) CONTENTS.—The criteria established
16 under paragraph (1)(A)—

17 “(A) for eligible entities that have in oper-
18 ation an accelerator, incubator, or other small
19 business innovation-focused project, shall in-
20 clude the record of the eligible entity in assist-
21 ing growing, newly established, and startup
22 small business concerns, including, for each of
23 the 3 full years before the date on which the eli-
24 gible entity applies for a cooperative agreement
25 under this section, or if the accelerator, incu-

1 bator, or other small business innovation-fo-
2 cused project has been in operation for less
3 than 3 years, for the most recent full year the
4 accelerator, incubator, or other small business
5 innovation-focused project was in operation—

6 “(i) the number and retention rate of
7 growing, newly established, and startup
8 business concerns in the program of the el-
9 igible entity;

10 “(ii) the average period of participa-
11 tion by growing, newly established, and
12 startup small business concerns in the pro-
13 gram of the eligible entity;

14 “(iii) the total and median capital
15 raised by growing, newly established, and
16 startup small business concerns partici-
17 pating in the program of the eligible entity;

18 “(iv) the number of investments or
19 loans received by growing, newly estab-
20 lished, and startup small business concerns
21 participating in the program of the eligible
22 entity; and

23 “(v) the total and median number of
24 employees of growing, newly established,
25 and startup small business concerns par-

1 participating in the program of the eligible en-
2 tity; and

3 “(B) for all eligible entities—

4 “(i) shall include whether the eligible
5 entity—

6 “(I) indicates the structure and
7 goals of the project;

8 “(II) demonstrates ties to the
9 business community;

10 “(III) identifies the resources
11 available for the project;

12 “(IV) describes the capabilities of
13 the project, including coordination
14 with local resource partners and local
15 or national lending partners of the
16 Administration;

17 “(V) addresses the unique busi-
18 ness and economic challenges faced by
19 the community in which the eligible
20 entity is located and businesses in
21 that community; or

22 “(VI) provides a proposed budget
23 and plan for use of funds; and

1 “(ii) may include any other criteria
 2 determined appropriate by the Adminis-
 3 trator.

4 “(e) PROGRAM EXAMINATION.—

5 “(1) IN GENERAL.—The Administrator shall—

6 “(A) develop and implement an annual
 7 programmatic and financial examination of
 8 each project conducted under this section,
 9 under which each eligible entity entering into a
 10 cooperative agreement under this section shall
 11 provide to the Administrator—

12 “(i) an itemized cost breakdown of ac-
 13 tual expenditures for costs incurred during
 14 the preceding year; and

15 “(ii) documentation regarding—

16 “(I) the amount of matching as-
 17 sistance from non-Federal sources ob-
 18 tained and expended by the eligible
 19 entity during the preceding year in
 20 order to meet the matching require-
 21 ment under subsection (i); and

22 “(II) with respect to any in-kind
 23 contributions that were used to satisfy
 24 the matching requirement under sub-
 25 section (i), verification of the existence

1 and valuation of those contributions;
2 and

3 “(B) analyze the results of each examina-
4 tion conducted under subparagraph (A) and,
5 based on that analysis, make a determination
6 regarding the programmatic and financial via-
7 bility of each eligible entity.

8 “(2) CONDITIONS FOR CONTINUED FUNDING.—
9 In determining whether to continue or renew a coop-
10 erative agreement under this section, the Adminis-
11 trator—

12 “(A) shall consider the results of the most
13 recent examination of the project under para-
14 graph (1); and

15 “(B) may terminate or not renew a cooper-
16 ative agreement, if the Administrator deter-
17 mines that the eligible entity has failed to pro-
18 vide any information required to be provided
19 (including information provided for purposes of
20 the annual report by the Administrator under
21 subsection (m)) or the information provided by
22 the eligible entity is inadequate.

23 “(f) TRAINING AND TECHNICAL ASSISTANCE.—The
24 Administrator—

1 “(1) shall provide in person or online training
2 and technical assistance to each eligible entity enter-
3 ing into a cooperative agreement under this section
4 at the beginning of the participation of the eligible
5 entity in the Innovation Centers Program in order to
6 build the capacity of the eligible entity and ensure
7 compliance with procedures established by the Ad-
8 ministrator;

9 “(2) shall ensure that the training and tech-
10 nical assistance described in paragraph (1) is pro-
11 vided at no cost or at a low cost; and

12 “(3) may enter into a contract to provide the
13 training or technical assistance described in para-
14 graph (1) with 1 or more organizations with exper-
15 tise in the entrepreneurial development programs of
16 the Administration, innovation, and entrepreneurial
17 development.

18 “(g) COORDINATION.—In carrying out a project
19 under this section, an eligible entity may coordinate
20 with—

21 “(1) resource and lending partners of the Ad-
22 ministration;

23 “(2) programs of State and local governments
24 that are concerned with aiding small business con-
25 cerns; and

1 “(3) other Federal agencies, including to pro-
2 vide services to and assist small business concerns in
3 participating in the SBIR and STTR programs, as
4 defined in section 9(e).

5 “(h) FUNDING LIMIT.—The amount of financial as-
6 sistance provided to an eligible entity under a cooperative
7 agreement entered into under this section shall be not
8 more than \$400,000 during each year.

9 “(i) MATCHING REQUIREMENT.—

10 “(1) IN GENERAL.—An eligible entity shall con-
11 tribute toward the cost of the project carried out
12 under a cooperative agreement under this section an
13 amount equal to 50 percent of the amount received
14 under the cooperative agreement.

15 “(2) IN-KIND CONTRIBUTIONS.—Not more than
16 50 percent of the contribution of an eligible entity
17 under paragraph (1) may be in the form of in-kind
18 contributions.

19 “(3) WAIVER.—

20 “(A) IN GENERAL.—If the Administrator
21 determines that an eligible entity is unable to
22 meet the contribution requirement under para-
23 graph (1), the Administrator may reduce the
24 required contribution.

1 “(B) PRESUMPTION.—An eligible entity
2 shall be presumed to be unable to meet the con-
3 tribution requirement under paragraph (1) if
4 the eligible entity has—

5 “(i) long-term debt in an amount that
6 is less than \$10,000,000;

7 “(ii) an invested market endowment
8 in an amount that is less than
9 \$15,000,000; or

10 “(iii) total net liquid assets in an
11 amount that is less than \$15,000,000.

12 “(4) FAILURE TO OBTAIN NON-FEDERAL FUND-
13 ING.—If an eligible entity fails to obtain the re-
14 quired non-Federal contribution during any project,
15 or the reduced non-Federal contribution, as deter-
16 mined by the Administrator—

17 “(A) the eligible entity shall not be eligible
18 thereafter for any other project for which the
19 eligible entity is or may be funded by the Ad-
20 ministration; and

21 “(B) before approving assistance for the
22 eligible entity for any other project, the Admin-
23 istrator shall specifically determine whether the
24 Administrator believes that the eligible entity
25 will be able to obtain the requisite non-Federal

1 funding and enter a written finding setting the
2 forth the reasons for making that determina-
3 tion.

4 “(5) RULE OF CONSTRUCTION.—The dem-
5 onstrated inability of an eligible entity to meet the
6 contribution requirement under paragraph (1) shall
7 not disqualify the eligible entity from entering into
8 a cooperative agreement under this section.

9 “(j) CONTRACT AUTHORITY.—

10 “(1) IN GENERAL.—An eligible entity may
11 enter into a contract with a Federal department or
12 agency to provide specific assistance to startup,
13 newly established, or growing small business con-
14 cerns.

15 “(2) PERFORMANCE.—Performance of a con-
16 tract entered into under paragraph (1) may not
17 hinder the applicable eligible entity in carrying out
18 the terms of the cooperative agreement under this
19 section.

20 “(3) EXEMPTION FROM MATCHING REQUIRE-
21 MENT.—A contract entered into under paragraph
22 (1) shall not be subject to the matching requirement
23 under subsection (i).

24 “(4) ADDITIONAL PROVISION.—Notwith-
25 standing any other provision of law, a contract for

1 assistance under paragraph (1) shall not be applied
 2 to any contracting goal for a Federal department or
 3 agency under section 15(g) with respect to small
 4 business concerns, small business concerns owned
 5 and controlled by women, or small business concerns
 6 owned and controlled by socially and economically
 7 disadvantaged individuals.

8 “(k) PRIVACY REQUIREMENTS.—

9 “(1) IN GENERAL.—An eligible entity may not
 10 disclose the name, address, or telephone number of
 11 any individual or small business concern receiving
 12 assistance under this section without the consent of
 13 that individual or small business concern, unless—

14 “(A) the Administrator is ordered to make
 15 such a disclosure by a court in any civil or
 16 criminal enforcement action initiated by a Fed-
 17 eral or State agency; or

18 “(B) the Administrator considers such a
 19 disclosure to be necessary for the purpose of
 20 conducting a financial audit of an eligible enti-
 21 ty, except that a disclosure under this subpara-
 22 graph shall be limited to the information nec-
 23 essary for that financial audit.

24 “(2) ADMINISTRATION USE OF INFORMATION.—

25 This subsection shall not—

1 “(A) restrict Administration access to pro-
2 gram activity data; or

3 “(B) prevent the Administration from
4 using client information (other than the infor-
5 mation described in subparagraph (A)) to con-
6 duct client surveys.

7 “(3) REGULATIONS.—The Administrator shall
8 issue regulations to establish standards for requiring
9 disclosures during a financial audit under paragraph
10 (1)(B).

11 “(1) PUBLICATION OF INFORMATION.—The Adminis-
12 trator shall—

13 “(1) publish information about the program
14 under this section online, including—

15 “(A) on the website of the Administration;
16 and

17 “(B) on the social media of the Adminis-
18 tration; and

19 “(2) request that the resource and lending part-
20 ners of the Administration and the district offices of
21 the Administration publicize the program.

22 “(m) ANNUAL REPORTING.—Not later than 1 year
23 after the date on which the Administrator establishes the
24 program under this section, and annually thereafter, the

1 Administrator shall submit to Congress a report on the
2 activities under the program, including—

3 “(1) the number of startup, newly established,
4 and growing small business concerns participating in
5 the project carried out by each eligible entity under
6 a cooperative agreement under this section (referred
7 to in this as ‘participants’), including a breakdown
8 of the owners of the participants by race, gender,
9 veteran status, and urban versus rural location;

10 “(2) the retention rate for participants;

11 “(3) the total and median amount of capital
12 accessed by participants, including the type of cap-
13 ital accessed;

14 “(4) the total and median number of employees
15 of participants;

16 “(5) the number and median wage of jobs cre-
17 ated by participants;

18 “(6) the number of jobs sustained by partici-
19 pants; and

20 “(7) information regarding such other metrics
21 as the Administrator determines appropriate.

22 “(n) FUNDING.—

23 “(1) AUTHORIZATION OF APPROPRIATIONS.—

24 There are authorized to be appropriated such sums
25 as may be necessary to carry out this section.

1 “(2) ADMINISTRATIVE EXPENSES.—Of the
2 amount made available to carry out this section for
3 any fiscal year, not more than 10 percent may be
4 used by the Administrator for administrative ex-
5 penses.”.

6 (b) REGULATIONS.—The Administrator shall promul-
7 gate regulations to carry out section 49 of the Small Busi-
8 ness Act, as added by subsection (a).

○